

Review of the Wyoming Child Support Guidelines: Analysis of Data and Updated Tables

Submitted to:

**Wyoming Department of Family Services
Child Support Services**

Submitted by:

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Points of view expressed in this document are those of the authors and do not necessarily represent the official position of the State or committee reviewing the Wyoming child support guidelines. The authors are responsible for any errors and omissions.

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SECTION 1: INTRODUCTION AND PURPOSE

Wyoming sets its child support guidelines in state statute (W.S. 20-2-304). The guidelines apply to all orders for the support or maintenance of children in actions for divorce, annulment, paternity, support, out-of-home placement, and any other action for the maintenance or support of children (W.S. 20-2-301 and 302). Federal regulation (45 C.F.R. § 302.56(a)) requires states to review their guidelines at least once every four years. Wyoming Statute (W.S. 20-2-306) also requires a quadrennial review.

The purpose of this report is to:

- document the analysis of data for the 2021 Wyoming child support guidelines review;
- document the basis of a proposed, updated child support table developed for Wyoming; and
- provide examples of provisions that Wyoming could adapt to meet new federal requirements (45 C.F.R. § 302.56(c)) concerning income imputation that are aimed at better serving low-income families and obligated parents with no or little earning capacity as well as no or limited financial resources.

Federal regulations pertaining to state child support guidelines and the periodic review of child support guidelines, which are listed at the end of this section, were expanded in December 2016. States have essentially one year after the state's next review commencing after 2016 to fulfill the expanded federal requirements.¹ The federal government allowed states to request a one-year delay due to the COVID-19 pandemic. Wyoming requested and received the extension. Nonetheless, since Wyoming is reviewing its guidelines now, it makes sense that Wyoming work toward complying with the requirements in this review.

Federal regulation (45 C.F.R. § 302.56(h)) also expanded the data analysis of requirements of state guidelines reviews. To meet those requirements, this report contains the findings from analyzing three major sources: economic data on the cost of children, case file data, and labor market data. More current economic data on the cost of children is used to prepare updated Wyoming child support tables in this report. The analysis of case file data fulfills several specific federal requirements including the analysis of guidelines deviations with the goal of limiting the number of deviations, the analysis of income imputation to encourage the use of actual income to the extent feasible, the analysis of defaults to encourage parent engagement, and the analysis of the low-income adjustment to improve its appropriate application. The federal requirement to analyze labor market data also appears to be aimed at encouraging better policies and practices for low-income parents, particularly when income is imputed.

FEDERAL REQUIREMENTS OF STATE GUIDELINES

Federal requirements for state guidelines were initially imposed in 1987 and 1989 and have had no major changes until recently—specifically, in December 2016 when the Modernization Rule (MR) was

¹ 45 C.F.R. § 302.56(a).

published.² The 1984 Child Support Amendments to the Social Security Act required each state with a government child support program through Title IV-D of the Social Security Act to have one set of child support guidelines to be used by all judicial or administrative tribunals having authority to determine child support orders within the state by 1987.³ The Family Support Act of 1988 expanded the requirement by requiring that the application of a state's guidelines be a rebuttable presumption and that states review their guidelines at least once every four years and, if appropriate, revise their guidelines.⁴ States could determine their own criteria for rebutting the guidelines; however, the federal requirements made it clear that states should aim to keep guidelines deviations at a minimum. For several decades, the federal requirements for state guidelines:

- Have one set of guidelines to be used by judges (and all persons within a state with the authority) to issue a child support order;
- Provide that the guidelines are rebuttal and develop state criteria for rebutting them;
- Consider all earnings and income of the noncustodial parent in the calculation of support;
- Produce a numeric, sum-certain amount;
- Provide for the child's healthcare coverage; and
- Review their guidelines at least once every four years and as part of that review analyze guidelines deviations.

In summary, the additional requirements of state guidelines are:

- At a minimum, they must consider other evidence of ability to pay in addition to a parent's earnings and income (45 C.F.R. § 302.56(c)(1)(i));
- They must consider the basic subsistence needs of the noncustodial parent who has a limited ability to pay (45 C.F.R. § 302.56(c)(1)(ii));
- If imputation of income is authorized, they must also consider, to the extent known, the specific circumstances of the noncustodial parent, such as the 14 specific factors identified in the federal rule (45 C.F.R. § 302.56(c)(1)(iii));⁵
- They may not treat incarceration⁶ as voluntary unemployment in establishing or modifying support orders (45 C.F.R. § 302.56(c)(3));⁷

² Federal Register/Vol. 81, No. 244. (Dec. 20, 2016.) Department of Health and Human Services Centers for Medicaid Services. Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs. Vol. 81, No. 244. Retrieved from <https://www.gpo.gov/fdsys/pkg/FR-2016-12-20/pdf/2016-29598.pdf>.

³ See the 1984 Amendments of the Social Security Act (Public Law 98-378).

⁴ See 1988 Family Support Act (Public Law 100-485).

⁵ See the bottom of Exhibit 3 for the steps that the agency must take to gain a factual basis of income and earnings to be used in the guidelines calculation (45 C.F.R. § 303.4).

⁶ Several states specify incarceration of over 180 days to be congruent with the provision in 45 C.F.R. § 303.8 that is also shown in Exhibit 3.

⁷ There is a proposed federal rule change that would give states the options to provide for exceptions to the prohibition against treating incarceration as voluntary unemployment. See U.S. Department of Health and Human Services. (Sept. 17, 2020). "Optional Exceptions to the Prohibition Against Treating Incarceration as Voluntary Unemployment Under Child Support

The existing Wyoming guidelines (W.S. 20-2-304(f)) already fulfills the requirement to consider the basic subsistence needs of the noncustodial parent by providing a self-support reserve (SSR). It also considers many of the factors listed in federal regulation when determining whether to impute income and provides that when income is imputed, it be imputed at potential earning capacity that the parent is realistically able to earn (W.S. 20-2-307(b)(xi)(G)).

The rule changes are grounded in research that finds compliance is lower and unpayable arrears accrue when income is imputed.⁸ The specific concern is when income is imputed beyond what an obligated parent, particularly an obligated parent with income below or near poverty, actually has in income or the capacity to earn. The intent is to use the best evidence available on actual income, including income information from automated sources and verbal testimony.⁹ Addressing order amounts at the front-end can avoid the need for enforcement actions and is more responsive to the Supreme Court decision in *Turner v. Rogers*, 564 U.S. 1, 131 S Ct. 2507 (2011), which concerned a civil contempt action for non-compliance of a child support order, that was also an impetus for the rule changes.¹⁰ In addition, the federal rule changes recognize the importance of healthy parent–child relationships in the development of children and how unpaid child support in some situations can inadvertently create barriers to the healthy interaction between the child and the parent obligated to pay support.

In addition, the new requirements as part of a state’s guidelines review are to:

- Consider labor market data by occupation and skill level;
- Consider the impact of guidelines amounts on parties with incomes below 200 percent of the federal poverty guidelines;
- Consider factors that influence employment rates among noncustodial parents and compliance with child support orders;
- Analyze rates of default and imputed child support orders and orders determined using the adjustment for the noncustodial parent’s subsistence needs;
- Analyze payment patterns;
- Provide opportunity for public input, including input from low-income parents and their representatives and the state/local IV-D agency;
- Make all reports public and accessible online;
- Make membership of the reviewing body known; and
- Publish the effective date of the guidelines and the date of the next review.

Guidelines.” *Federal Register*, Vol. 85, No. 244, p. 58029. Retrieved from [Federal Register: Optional Exceptions to the Prohibition Against Treating Incarceration as Voluntary Unemployment Under Child Support Guidelines](#).

⁸ See pp. 68553–56 of U.S. Department of Health and Human Services. (Nov. 17, 2014). “Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs.” *Federal Register*, Vol. 79, No. 221. Retrieved from <https://www.govinfo.gov/content/pkg/FR-2014-11-17/pdf/2014-26822.pdf>.

⁹ U.S. Department of Health and Human Services (2016). *Supra*, note 2, p. 93495.

¹⁰ U.S. Department of Health and Human Services. (Nov. 17, 2014). “Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs.” *Federal Register*, Vol. 79, No. 221. p. 68555. Retrieved from <https://www.gpo.gov/fdsys/pkg/FR-2014-11-17/pdf/2014-26822.pdf>.

This report fulfills all these requirements except providing opportunity for public input and publishing the report online; the Wyoming Department of Family Services (DFS) will be fulfilling these two requirements.

Wyoming Statute (W.S. 20-2-306) specifies that DFS conduct the review to ensure that applying the guidelines results in determining appropriate child support order amounts. To assist with the review, DFS convened a committee comprised of a wide range of stakeholders, who are listed in Exhibit 1. Based on their review, the committee will develop recommendations. However, since the guidelines are set in state statute, any proposed changes must go through the legislative process.

Exhibit 1: 2021 Child Support Guidelines Review Committee

Kristie Arneson, J.D. IV-D Director/Senior Administrator Department of Economic Security Wyoming Department of Family Services	Clark Hunter, J.D. Project Manager for YoungWilliams Child Support Service of Wyoming
Angie Dorsch, J.D. Executive Director Equal Justice Wyoming	Dona Playton, J.D. Associate Professor of Law Family and Child Legal Advocacy Clinic University of Wyoming College of Law
Denise Dunn Child Support Program Manager Division of Economic Security Wyoming Department of Family Services	Jodie Thompson, J.D. Executive Director Basin Authority, 5th Judicial District
Jenny Hall, J.D. Lance & Hall, LLP	Mike Williams, J.D. Executive Director Child Support Authority, Fourth Judicial District
Tammy Hudson, J.D. Supervisory Attorney Child Support Services of Wyoming	Tina Wood Clerk of District Court Crook County

At the time of this writing, the Committee had not yet made recommendations. However, it is anticipated that any proposed changes would be presented for the 2022 Wyoming legislative session—hence would become effective in 2022 or 2023. The next guidelines review would be 2025 or 2026 depending on when the Committee completes its work.

WYOMING CHILDREN AND CHILD SUPPORT

Child support is an important source of income to many Wyoming children. Based on the U.S. Census American Community Survey, there were 133,609 children living in Wyoming in 2019.¹¹ The 2021 Kids Count reports several statistics mostly from 2019 that are relevant to child support.¹²

¹¹ U.S. Census American Community Survey 2020. Retrieved from <https://data.census.gov>.

¹² Annie E. Casey Foundation. (2021). *2021 Kids Count Data Book: State Trends in Child Well-Being*. Retrieved from <https://assets.aecf.org/m/resourcedoc/aecf-2021kidscountdatabook-2021.pdf>.

- The percentage of Wyoming children living in poverty is 12 percent, while it is 17 percent nationally.
- The percentage of Wyoming children whose parents lack secure employment is 19 percent, while it is 26 percent nationally.
- The percentage of Wyoming children living in single-parent families is 25 percent, while it is 34 percent nationally.
- The percentage of Wyoming female-headed families receiving child support is 31 percent, while it is 26 percent nationally.¹³

Many Wyoming families benefit from child support. In federal fiscal year (FFY) 2020, the Wyoming Child Support Program (WCSP) served 28,558 cases.¹⁴ In FFY 2020, WCSP established 1,277 support orders and collected and distributed over \$68 million in child support. There are also child support cases that are not part of WCSP. Collections on non-WCSP cases generally are not reported to OCSE. Although the amount is unknown, it likely to exceed WCSP collections.¹⁵

Although state data are not available, a 2015 national study found that without child support, the child poverty rate would be 7.0 percentage points higher.¹⁶ Nonetheless, other national research finds that almost a quarter of nonresidential parents have no or limited reported earnings.¹⁷ In addition, a recent report by the Pew Foundation provides additional background information about the issue of incarcerated parents.¹⁸ It found that about 12,000 children in Wyoming (9% of all children in the state) experienced parental incarceration in 2011 or 2012, while the comparable percentage is 7 percent nationally.

CURRENT WYOMING CHILD SUPPORT TABLES

The existing Wyoming presumptive child support tables are based on a 2010 study of childrearing expenditures developed by Professor David Betson, University of Notre Dame, in 2010 using Consumer Expenditure Survey (CES) data collected from 2004 through 2009.¹⁹ The measurements were updated to April 2012 price levels. Wyoming did not update its child support tables as part of its 2016 review. One likely reason is that there was not a new Betson study, and another likely reason was that there was

¹³ For this particular data field, the data is actually from 2018–2020. Retrieved from <https://datacenter.kidscount.org/data/tables/10453-female-headed-families-receiving-child-support?loc=52&loct=2#detailed/2/52/false/1985,1757,1687/any/20156,20157>.

¹⁴ Federal Office of Child Support Enforcement. (2021). *Office of Child Support Preliminary Report 2020*. Retrieved from <https://www.acf.hhs.gov/css/policy-guidance/fy-2020-preliminary-annual-report-and-data>.

¹⁵ The authors suggest this based on data from various sources that non-government child support cases tend to have higher orders and higher payments data.

¹⁶ Sorensen, Elaine. (Dec. 2016). "The Child Support Program Is a Good Investment." *The Story Behind the Numbers*. Federal Office of Child Support Enforcement. p. 8. Retrieved from https://www.acf.hhs.gov/sites/default/files/programs/css/sbtn_csp_is_a_good_investment.pdf.

¹⁷ Sorensen, Elaine. (Feb. 2014). *Employment and Family Structure Changes: Implications for Child Support*. Presentation to the National Child Support Enforcement Association, Washington, D.C. Feb. 7, 2014.

¹⁸ The Annie E. Casey Foundation. (Apr. 2016). *A Shared Sentence: The Devastating Toll of Parental Incarceration on Kids, Families and Communities*, p. 5. Retrieved from <http://www.aecf.org/m/resourcedoc/aecf-asharedsentence-2016.pdf>.

¹⁹ Betson, David M. (2010). "Appendix A: Parental Expenditures on Children." *In* Judicial Council of California, Review of Statewide Uniform Child Support Guideline. San Francisco, California. Retrieved from <http://www.courts.ca.gov/partners/documents/2011SRL6aGuidelineReview.pdf>.

little change in price levels between when the 2012 tables were developed and when the tables were reviewed in 2016 (*i.e.*, a 3.2% increase using national data and 6.8% increase using Wyoming data calculated by the Wyoming Department of Administration and Information).²⁰ Still, this did not suggest a 3.2 percent (6.8%) increase to the amounts in the tables would have been appropriate since some of the increase would have been offset by increases in incomes over time.

Most states (*i.e.*, 31 states including Wyoming) base their child support guidelines tables/formula on Betson-Rothbarth measurements of child-rearing expenditures. As mentioned earlier, “Betson” is the economist measuring childrearing expenditures. “Rothbarth,” named after the British economist who developed it, is the methodology used to separate the child’s share from total household expenditures because many expenditure items (*e.g.*, housing) are not purchased separately for adults and children or tracked in expenditure data sets separately. As discussed in more detail later, a new Betson-Rothbarth study was released in 2020.

Exhibit 2: Excerpt of Current Child Support Table for One Child

Net Monthly Income of Both Parents	Percentage of Income Allocated for One Child	Base Support Plus Marginal Percentage
\$ 846.00	22.0	\$186.00 + 21.3% over \$846.00
\$2,961.00	21.5	\$637.00 + 14.3% over \$2,961.00
\$4,652.00	18.9	\$879.00 + 11.8% over \$4,652.00
\$5,498.00	17.8	\$979.00 + 10.2% over \$5,498.00
\$7,613.00	15.7	\$1,195.00 + 9.3% over \$7,613.00
\$10,151.00	14.1	\$1,431.00 + 7.5% over \$10,151.00
\$12,900.00	12.7	\$1,638.00 + 5.9% of anything over \$12,900.00

The core of the Wyoming guidelines calculation is a lookup table of monthly basic obligations for a range of incomes and number of children. (Exhibit 2 shows an excerpt of table for one child.) The table functions much like a tax table and reflects economic data on the costs of raising children. Base support reflects how much would be spent on a child for that combined income of the parents—that is, the amount of income the parents would have if they lived together and combined financial resources.

The support award is determined by prorating the obligated parent’s share of the base support. For example, if each parent’s net income is \$2,500 per month, the combined net income is \$5,000 per month. Using the amounts in Exhibit 2, the basic support for one child is \$870 per month, plus 11.8 percent of the combined net income in excess of \$4,652. That excess income is \$348 per month; when multiplied by 11.8 percent, it is \$41. The sum of \$870 and \$41 is \$911 per month. This is the amount owed by both parents. It reflects economic data on how much would be spent on the child. The obligated parent’s prorated amount in this example is \$455.50 per month (*i.e.*, 50% of \$911). This is the basis of the support award amount, although there may be additional adjustments for other considerations such the number of overnights the child spends with the parent obligated to pay support.

²⁰ Venohr, Jane. (Jan. 2016). *2016 Economic Review of the Wyoming Child Support Tables*. Report to the Wyoming Department of Family Services, Child Support Services. P. 4.

ORGANIZATION OF REPORT

Section 2 reviews case file data and labor market data.

Section 3 reviews the current economic data on the cost of childrearing and develops updating tables using more current economic data.

Section 4 examines how other states have met the new federal requirement to not consider incarceration to be voluntary unemployment and to consider the individual circumstances of the obligated parent when imputing income.

Section 5 analyzes the impact of the guidelines and proposed, updated tables.

Section 6 provides conclusions.

Appendix A provides technical documentation of the data and steps used to develop the updated tables.

Exhibit 3: Federal Regulations Pertaining to State Guidelines

45 C.F.R. § 302.56 Guidelines for setting child support orders

- (a) Within 1 year after completion of the State's next quadrennial review of its child support guidelines, that commences more than 1 year after publication of the final rule, in accordance with § 302.56(e), as a condition of approval of its State plan, the State must establish one set of child support guidelines by law or by judicial or administrative action for setting and modifying child support order amounts within the State that meet the requirements in this section.
- (b) The State must have procedures for making the guidelines available to all persons in the State.
- (c) The child support guidelines established under paragraph (a) of this section must at a minimum:
 - (1) Provide that the child support order is based on the noncustodial parent's earnings, income, and other evidence of ability to pay that:
 - (i) Takes into consideration all earnings and income of the noncustodial parent (and at the State's discretion, the custodial parent);
 - (ii) Takes into consideration the basic subsistence needs of the noncustodial parent (and at the State's discretion, the custodial parent and children) who has a limited ability to pay by incorporating a low-income adjustment, such as a self-support reserve or some other method determined by the State; and
 - (iii) If imputation of income is authorized, takes into consideration the specific circumstances of the noncustodial parent (and at the State's discretion, the custodial parent) to the extent known, including such factors as the noncustodial parent's assets, residence, employment and earnings history, job skills, educational attainment, literacy, age, health, criminal record and other employment barriers, and record of seeking work, as well as the local job market, the availability of employers willing to hire the noncustodial parent, prevailing earnings level in the local community, and other relevant background factors in the case.
 - (2) Address how the parents will provide for the child's health care needs through private or public health care coverage and/or through cash medical support;
 - (3) Provide that incarceration may not be treated as voluntary unemployment in establishing or modifying support orders; and
 - (4) Be based on specific descriptive and numeric criteria and result in a computation of the child support obligation.
- (d) The State must include a copy of the child support guidelines in its State plan.
- (e) The State must review, and revise, if appropriate, the child support guidelines established under paragraph (a) of this section at least once every four years to ensure that their application results in the determination of appropriate child support order amounts. The State shall publish on the internet and make accessible to the public all reports of the guidelines reviewing body, the membership of the reviewing body, the effective date of the guidelines, and the date of the next quadrennial review.
- (f) The State must provide that there will be a rebuttable presumption, in any judicial or administrative proceeding for the establishment and modification of a child support order, that the amount of the order which would result from the application of the child support guidelines established under paragraph (a) of this section is the correct amount of child support to be ordered.

- (g) A written finding or specific finding on the record of a judicial or administrative proceeding for the establishment or modification of a child support order that the application of the child support guidelines established under paragraph (a) of this section would be unjust or inappropriate in a particular case will be sufficient to rebut the presumption in that case, as determined under criteria established by the State. Such criteria must take into consideration the best interests of the child. Findings that rebut the child support guidelines shall state the amount of support that would have been required under the guidelines and include a justification of why the order varies from the guidelines.
- (h) As part of the review of a State's child support guidelines required under paragraph (e) of this section, a State must:
 - (1) Consider economic data on the cost of raising children, labor market data (such as unemployment rates, employment rates, hours worked, and earnings) by occupation and skill-level for the State and local job markets, the impact of guidelines policies and amounts on custodial and noncustodial parents who have family incomes below 200 percent of the Federal poverty level, and factors that influence employment rates among noncustodial parents and compliance with child support orders;
 - (2) Analyze case data, gathered through sampling or other methods, on the application of and deviations from the child support guidelines, as well as the rates of default and imputed child support orders and orders determined using the low-income adjustment required under paragraph (c)(1)(ii) of this section. The analysis must also include a comparison of payments on child support orders by case characteristics, including whether the order was entered by default, based on imputed income, or determined using the low-income adjustment required under paragraph (c)(1)(ii). The analysis of the data must be used in the State's review of the child support guidelines to ensure that deviations from the guidelines are limited and guideline amounts are appropriate based on criteria established by the State under paragraph (g); and
 - (3) Provide a meaningful opportunity for public input, including input from low-income custodial and noncustodial parents and their representatives. The State must also obtain the views and advice of the State child support agency funded under title IV–D of the Act.

Other Provisions of the New Federal Rule that Indirectly Affect Low-Income Provisions of State Guidelines

§ 303.4 Establishment of support obligations.

(b) Use appropriate State statutes, procedures, and legal processes in establishing and modifying support obligations in accordance with §302.56 of this chapter, which must include, at a minimum: (1) Taking reasonable steps to develop a sufficient factual basis for the support obligation, through such means as investigations, case conferencing, interviews with both parties, appear and disclose procedures, parent questionnaires, testimony, and electronic data sources; (2) Gathering information regarding the earnings and income of the noncustodial parent and, when earnings and income information is unavailable or insufficient in a case gathering available information about the specific circumstances of the noncustodial parent, including such factors as those listed under §302.56(c)(1)(iii) of this chapter; (3) Basing the support obligation or recommended support obligation amount on the earnings and income of the noncustodial parent whenever available. If evidence of earnings and income is unavailable or insufficient to use as the measure of the noncustodial parent's ability to pay, then the support obligation or recommended support obligation amount should be based on available information about the specific circumstances of the noncustodial parent, including such factors as those listed in §302.56(c)(1)(iii) of this chapter. (4) Documenting the factual basis for the support obligation or the recommended support obligation in the case record.

§ 303.8 Review and adjustment of child support orders.

* * * * * (b)

* * * (2) The State may elect in its State plan to initiate review of an order, after learning that a noncustodial parent will be incarcerated for more than 180 calendar days, without the need for a specific request and, upon notice to both parents, review, and if appropriate, adjust the order, in accordance with paragraph (b)(1)(i) of this section. * * * * * (7) The State must provide notice— (i) Not less than once every 3 years to both parents subject to an order informing the parents of their right to request the State to review and, if appropriate, adjust the order consistent with this section. The notice must specify the place and manner in which the request should be made. The initial notice may be included in the order. (ii) If the State has not elected paragraph (b)(2) of this section, within 15 business days of when the IV–D agency learns that a noncustodial parent will be incarcerated for more than 180 calendar days, to both parents informing them of the right to request the State to review and, if appropriate, adjust the order, consistent with this section. The notice must specify, at a minimum, the place and manner in which the request should be made. Neither the notice nor a review is required under this paragraph if the State has a comparable law or rule that modifies a child support obligation upon incarceration by operation of State law. (c) * * * Such reasonable quantitative standard must not exclude incarceration as a basis for determining whether an inconsistency between the existing child support order amount and the amount of support determined as a result of a review is adequate grounds for petitioning for adjustment of the order.

SECTION 2: FINDINGS FROM THE ANALYSES OF CASE FILE DATA AND LABOR MARKET DATA

This section documents the findings from the analysis of case file data and labor market data considered for the 2021 review of the Wyoming child support guidelines. The analyses fulfill the federal requirements pertaining to case file and labor market data shown in Exhibit 4. (The analysis of economic data and the impact of guidelines amounts, which are other federal requirements shown in Exhibit 3, are discussed in later sections.)

Exhibit 4: Federal Requirement to Analyze Case File Data and Labor Market Data

45 C.F.R § 302.56

- (i) As part of the review of a State's child support guidelines required under paragraph (e) of this section, a State must:
 - (4) Consider economic data on the cost of raising children, **labor market data (such as unemployment rates, employment rates, hours worked, and earnings) by occupation and skill-level for the State and local job markets**, the impact of guidelines policies and amounts on custodial and noncustodial parties who have family incomes below 200 percent of the Federal poverty level, and factors that influence employment rates among noncustodial parties and compliance with child support orders;
 - (5) **Analyze case data, gathered through sampling or other methods, on the application of and deviations from the child support guidelines, as well as the rates of default and imputed child support orders and orders determined using the low-income adjustment required under paragraph (c)(1)(ii) of this section. The analysis must also include a comparison of payments on child support orders by case characteristics, including whether the order was entered by default, based on imputed income, or determined using the low-income adjustment required under paragraph (c)(1)(ii).** The analysis of the data must be used in the State's review of the child support guidelines to ensure that deviations from the guidelines are limited and guideline amounts are appropriate based on criteria established by the State under paragraph (g); ...

ANALYSIS OF CASE FILE DATA

Description of the Data

There are two data sources:

- An extract of all orders established or modified within Federal Fiscal Year (FFY) 2018–2019 (October 1, 2018 – September 30, 2019) that are tracked on the Wyoming Department of Family Services Child Support Program (WCSP) automated system, POSSE.
- A log kept by attorneys involved with WCSP order establishments or modifications in the last two weeks of June.

The extract is the primary data source. Most states can use data extracted from their automated system to fulfill the federal analysis requirements. Wyoming will be enhancing its automated system to include many of the data fields federally required to be analyzed but has not trained or promoted the population of those data fields yet. Due to this limitation, WCSP asked attorneys to keep logs to obtain the relevant information for this review. For the next review, the information should be populated on POSSE. Because of the different time periods from which each sample is drawn, the orders are not linked.

The primary purpose of POSSE is to track child support services and payments for cases in the WCSP caseload, which provides child support services under Title IV-D of the Social Security Act. In addition, POSSE tracks payments for the non-IV-D orders that are required to pay through the District Court or

State Disbursement Unit (SDU). (Wyoming has a waiver that says the District Court and the SDU are considered one and the same as far as processing payments.) As a consequence, POSSE contains limited information on non-IV-D cases. WCSP extracted all non-interstate orders from its automated system that were modified or established in FFY 2019 and the payment information for those orders in the following FFY (FFY 2020). The extract excluded interstate orders because the Wyoming guidelines would not apply if another state had controlling jurisdiction of the order, which is typical when Wyoming is the responding state in an interstate case.²¹ It also excludes orders that were medical support only or arrears only.

Availability of Specific Data Fields

Exhibit 5 explores the extent that key data fields are available, including the five data fields that must be analyzed to fulfill federal requirements: guidelines deviations; income imputation to the obligated parent; orders entered by default; application of the low-income adjustment, which is a self-support reserve (SSR) in Wyoming; and payments. Exhibit 5 is organized by whether the information is from POSSE or the attorney-kept logs. The POSSE information is further broken down by whether the order was an IV-D or non-IV-D order. IV-D orders and non-IV-D orders comprise 60 and 40 percent of POSSE orders, respectively. Through analyses of other projects, CPR finds that often the characteristics of IV-D orders differ from those of non-IV-D orders.

Exhibit 5 shows that two of the five federal fields required to be analyzed (*i.e.*, income imputation and application of the SSR) are from the attorney log only. Still, income imputation and application of the SSR can sometimes be detected in POSSE through various proxies (*e.g.*, if income is imputed at full-time, minimum wage to both parents, it can be detected by the order amount). Payment information is only from POSSE.

Default Orders

Exhibit 5 also shows that there is no available information about defaults. That is because Wyoming's default process provides another opportunity for a hearing using Wyoming Rule of Civil Procedure (WRCP) where the defendant can appear and make a statement and provide evidence. WRCP 55(a), WRCP 55(b)(1), and WRCP 55(b)(2) provide for a default judgment after a party has been personally served with a petition, has failed to file a responsive pleading, the clerk has entered default against the person, and the court has conducted a default hearing where evidence could be presented by the defendant. Specifically, the typical default process among WCSP cases involves:

- The party is personally served with the petition for support;
- No response is received and no responsive pleading is served within the required time period (which is 20 to 30 days depending on whether the party is a Wyoming resident);
- A hearing on the petition is scheduled and notice of the hearing is mailed to the parties including the non-responding defendant; and

²¹ Which state or tribunal's guidelines would apply is much more complicated. Not only may it consider where the child resides, but it also considers where child was born and other factors.

- An order is entered following the presentation of evidence (typically by WCSP) but will include evidence presented by the non-responding defendant or the non-responding defendant addressing the court if the non-responding defendant shows up at the hearing.

Wyoming also tries to limit default by requiring the filing of financial affidavits or the court has held a hearing and testimony has been received.²² In contrast, in a more typical default process of another state (*e.g.*, California), an order is entered without a hearing when no response and no responsive pleading are received within the requisite time period. Exacerbating the confusion over the measurement of default is that the federal requirement to analyze defaults does not clearly define what a default is and uses evidence on studies on default and studies on non-appearance to support the requirement.²³ Still, the intent of the federal regulation is clear: to develop policies that allow and encourage more cooperation and participation from obligated parents. The federal regulation is also clear that default orders—particularly those entered because the parent did not appear—are an indication of non-cooperation and non-participation. As Wyoming develops automation to track the new federal data requirements and the Committee reviewing the guidelines develops recommendations, the state will explore how to best meet the federal requirement given Wyoming’s default process. This may consist of capturing data on appearance and non-appearance in default hearings that resulted in a child support judgment.

Payment Information and Closed Cases

Since payment information is examined in the sample payment year (FFY2020) which is a year after the sample selection year (FFY2019), some (15%) cases closed between the two years. The three most common reasons for case closure are that arrears were less than \$500 (74% of closures); the custodial party requested it (17% of closures); or the obligated parent was deceased, in jail, or disabled (6% of closures). Payment information may not also be available because the order was zero.

Data Limitations

As already mentioned, one limitation is the inability to definitively identify income imputation and the application of the self-support reserve from POSSE; in turn, this precludes the analysis of payment data for these particular data fields. WCSP is taking action so this is not an issue for the next review.

Another limitation is POSSE only includes detailed information from WCSP orders. There are many other Wyoming child support orders that are not part of the WCSP. Several other states also have this issue.

²² Wyo. Stat. § 20-2-308(a) states that “No order establishing or modifying a child support obligation shall be entered unless financial affidavits on a form approved by the Wyoming supreme court which fully discloses the financial status of the parties have been filed, or the court has held a hearing and testimony has been received.”

²³ U.S. Dept. of Health and Human Services (2014). *Supra*, note 4, p. 68554.

Exhibit 5: Availability of Key Data Fields among Analyzed Orders (% of all analyzed orders)

	FFY 2019 Orders Extracted from POSSE			June 2021 Attorney Logs (N=223)
	All (N=2,007)	IV-D (N=1,199)	Non-IV-D (N=808)	
Guidelines Deviation Information				
Information Available	100%	100%	100%	100%
Missing	-	-	-	-
Order Set Using Self-Support Reserve (SSR)				
Information Available	N/A	N/A	N/A	100%
Missing				-
Income Imputed to Obligated Parent				
Available/Noted	N/A	N/A	N/A	100%
Missing/Not Populated				-
Default Orders	N/A	N/A	N/A	N/A
Income Imputed to Receiving Party				
Available/Noted	N/A	N/A	N/A	100%
Missing/Not Populated				<1%
Net Income of Obligated Parent				
Available/Noted	N/A	N/A	N/A	100%
Missing/Not Populated				-
Net Income of Receiving Parent				
Available/Noted	N/A	N/A	N/A	100%
Missing/Not Populated				-
Number of Children				
Available/Noted	100%	100%	100%	100%
Missing/Not Populated	-	-	-	-
Monthly Current Support Order				
Available/Noted	100%	100%	100%	100%
Missing/Not Populated	-	-	-	-
Custody Information				
Available/Noted	100%	100%	100%	100%
Missing/Not Populated	-	-	-	-
Case Status in Payment Sample Year				
Closed	21%	25%	<1%	N/A
Open	79%	75%	99%	
Not Collected	-	-	-	
Payment Information				
Information Available	75%	71%	81%	N/A
Missing/Not Collected	25%	29%	19%	

Analysis of Federally Required Fields

Federal regulation (C.F.R. § 302.56(h)(2)) requires the analysis of rates of deviation, application of the low-income adjustment, income imputation, and default orders. As mentioned earlier, defaults rates are not analyzed because of Wyoming's unique default process that allows opportunity for the defendant to appear and provide evidence and a statement.

Income Imputation and Default

Exhibit 6 shows that Wyoming's provision for income imputation is in two different places, including the provision for guidelines deviations. It essentially provides for income imputation at "potential income" to a parent (*i.e.*, either parent) who is voluntarily unemployed or underemployed. Unlike, several states, Wyoming does not specifically mention income imputation at minimum wage after consideration of range of factors such as prior employment and history and educational level and prevailing wage opportunities.

Exhibit 6: Wyoming Provisions for Income Imputation

Wyo. Stat. § 20-2-303 and § 20-2-307	
20-2-303. Definitions	
ii) "Income" means any form of payment or return in money or in kind to an individual, regardless of source. Income includes, but is not limited to wages, earnings, salary, commission, compensation as an independent contractor, temporary total disability, permanent partial disability and permanent total disability worker's compensation payments, unemployment compensation, disability, annuity and retirement benefits, and any other payments made by any payor, but shall not include any earnings derived from overtime work unless the court, after considering all overtime earnings derived in the preceding twenty-four (24) month period, determines the overtime earnings can reasonably be expected to continue on a consistent basis. In determining income, all reasonable unreimbursed legitimate business expenses shall be deducted. Means tested sources of income such as Pell grants, aid under the personal opportunities with employment responsibilities (POWER) program, supplemental nutrition assistance program and supplemental security income (SSI) shall not be considered as income. Gross income also means potential income of parents who are voluntarily unemployed or underemployed; (iii) "Net income" means income as defined in paragraph (ii) of this subsection less personal income taxes, social security deductions, cost of dependent health care coverage for all dependent children, actual payments being made under preexisting support orders for current support of other children, other court-ordered support obligations currently being paid and mandatory pension deductions. Payments towards child support arrearage shall not be deducted to arrive at net income;	
20-2-307. Presumptive child support to be followed; deviations by court.	
(b) A court may deviate from the presumptive child support established by W.S. 20-2-304 upon a specific finding that the application of the presumptive child support would be unjust or inappropriate in that particular case. In any case where the court has deviated from the presumptive child support, the reasons therefor shall be specifically set forth fully in the order or decree. In determining whether to deviate from the presumptive child support established by W.S. 20-2-304, the court shall consider the following factors:	
...	
(xi) Whether either parent is voluntarily unemployed or underemployed. In such case the child support shall be computed based upon the potential earning capacity (imputed income) of the unemployed or underemployed parent. In making that determination the court shall consider:	
(A) Prior employment experience and history;	
(B) Educational level and whether additional education would make the parent more self-sufficient or significantly increase the parent's income;	
(C) The presence of children of the marriage in the parent's home and its impact on the earnings of that parent;	
(D) Availability of employment for which the parent is qualified;	
(E) Prevailing wage rates in the local area;	
(F) Special skills or training; and	
(G) Whether the parent is realistically able to earn imputed income.	

Findings about Income Imputation from Attorney Logs

According to the attorney logs, income was imputed to:

- 40 percent of obligated parents; and
- 53 percent of receiving parties.

Income was imputed to both parties in 26 percent of orders. Most orders (66%), however, had income imputed to at least one party. Most (67%) obligated parents with imputed income appeared to have income imputed at full-time, minimum wage earnings. Their after-tax incomes were either the after-tax equivalent of full-time, minimum wage earnings of a single tax filer (about \$1,139 net per month) or head of household with one dependent (about \$1,161 net per month), based on 2021 tax rates.²⁴ For the remaining 33 percent of obligated parents with imputed income, their net incomes ranged from about \$1,200 to about \$4,000 per month.

Similarly, most (79%) receiving parties with imputed income appeared to have income imputed at full-time, minimum wage earnings. Few had net income equivalents based on a single tax filing status; rather, most had net income equivalents of a tax filer whose status was head of household and had one dependent. There were also a few (3%) whose imputed income was equivalent to the after-tax income of a tax filer whose status was head-of-household and two dependents (\$1,733 net per month).

Although infrequent, income was even imputed in orders that were established using a shared placement adjustment. There were no split custody cases in the attorney log.

The high rates of income imputation may reflect the economic times. The attorney logs were completed in June 2021, when jobs were affected by the COVID-19 pandemic. Some parents may have recently lost their job, quit their job, or reduced their hours worked due to the pandemic. This may have resulted in more income imputation than what would have occurred in non-pandemic economy. Further, when income was imputed, it may have been imputed at minimum-wage earnings more often because of the uncertainty of the party's future employment. Reliance on earnings and employment history would no longer be appropriate if future employment is uncertain.

Default Orders

As discussed earlier, Wyoming will be reviewing how to capture this information in the context of their court rules on default and child support procedures. Wyoming understands that the intent is to capture data on orders that are entered by default when the defendant does not respond to the petition for support. Since the Wyoming process allows the defendant another opportunity to respond at a hearing

²⁴ Based on a gross income of \$1,256.67 per month (which is gross income from full-time, minimum wage earnings of \$7.25 per hour), the after-tax income for a single taxpayer is about \$1,139 using the 2021 IRS income withholding formula. It is assumed that after-tax incomes of \$1,137 and \$1,138 per month also started from a gross income of full-time, minimum wage earnings. For someone filing as a head of household with one dependent, it is \$1,161 net per month. It is assumed that sometimes the amount was rounded to \$1,160 net per month. The source of the 2020 IRS income withholding formula is U.S. Department of Treasury Internal Revenue Service. (Dec. 8, 2020). *IRS Publication 15-T: Federal Income Tax Withholding Methods: 2021*. Retrieved from [2021 Publication 15-T \(irs.gov\)](https://www.irs.gov/publications/p15).

that is scheduled after the deadline for receiving a response, this muddles how the data can be captured.

In general, national research has looked at default as a subset of those with income imputation. The concern is that income is imputed above the parent's actual income and the defendant is disenfranchised and thus does not respond or provide evidence of the defendant's actual income. For example, a nine-state study found that the order was entered through default among 46 percent of obligated parents with imputed income.²⁵ The order was entered by default because the obligated parent did not appear at the conference or court hearing, or because the parent failed to provide income information. The same study found income was imputed to 37 percent of the obligated parents because the parent was unemployed or underemployed.

Application of the Low-Income Adjustment (Self-Support Reserve)

Exhibit 7 shows Wyoming's low-income adjustment, which is a self-support reserve (SSR) adjustment. The SSR applies to the obligor's net income and is based on the federal poverty guidelines (FPG) for one person. The 2021 FPG is \$1,073. In contrast, the after-tax income of a parent working 40 hours per week at minimum wage is about \$1,140 to \$1,160 per month, depending on the tax filing status of that parent. Since the low-income adjustment provides that the order is the difference between the obligated parent's income and the self-support reserve (which is the FPG for one person), the child support order is about \$67 to \$87 per month for a full-time, minimum wage earner.

Exhibit 7: Wyoming Provision for Low-Income Adjustment (Self-Support Reserve)

Wyo. Stat. § 20-2-304
((f) If the difference between the obligor's net income and the self-support reserve is less than the support obligation as calculated from the tables in subsection (a) of this section, the support obligation shall be set using the difference between the obligor's net income and the self-support reserve. As used in this subsection "self-support reserve" means the current poverty line for one (1) person as specified by the poverty guidelines updated periodically in the Federal Register by the United States department of health and human services under the authority of 42 U.S.C. 9902(2)

Findings about the Self-Support Reserve Adjustment from Attorney Logs

According to the attorney logs, a self-support reserve adjustment was made to 35 percent of orders. Among those orders, most (76%) obligated parents had income imputed. Further, it was typically imputed at minimum wage: income was imputed at minimum wage for 69 percent of obligated parents with a self-support reserve adjustment. The average and median orders of those adjusted for a self-support reserve were \$105 and \$74 per month, respectively. For obligated parents whose income was imputed at full-time, minimum wage earnings and who had a self-support reserve adjustment, the average and median order was \$74 and \$74 per month, respectively. The estimated guidelines amount (assuming the obligated parent is taxed as a single individual and the self-support reserve is applied) is \$66 per month. As discussed later, some of these orders adjusted for the self-support reserve also had a guidelines deviation (*i.e.*, 14 percent of all orders with a self-support reserve adjustment and 8 percent

²⁵ U.S. Department of Health and Human Services Office of Inspector General. (July 2000). *The Establishment of Child Support Orders for Low income Non-custodial Parents*. P. 16. Retrieved from [The Establishment of Child Support Orders for Low Income Non-Custodial Parents \(OEI- 05-99-00390; 7/00\) \(hhs.gov\)](https://www.hhs.gov/oei-05-99-00390/7/00/).

of orders where the obligated parent's income was equivalent to full-time, minimum wage and there was a self-support reserve adjustment). The self-support reserve adjustment was never applied to any order where there was an adjustment for shared placement.

Findings about the Self-Support Reserve Adjustment from the POSSE EXTRACT

Currently, POSSE does not track whether orders were determined using the self-support reserve adjustment. It is also not possible to estimate using the obligated parent's income because income is also not tracked on POSSE. Instead, the order amount is used to estimate application of the self-support reserve. Specifically, the information from Exhibit 8 is used to identify orders in the POSSE extract that appear to be adjusted for a self-support reserve. Since the sample selection year is FFY 2019, after-tax income is calculated using 2018 and 2019 tax rates and the self-support reserve may be based on the 2018 or 2019 federal poverty guidelines for one person. As shown in Exhibit 8, the order amount adjusted for the self-support reserve in FFY 2019 is \$61 to \$124 per month for an obligated parent depending on the calendar year.

Exhibit 8: Maximum Order Amounts if Self-Support Reserve Is Applied to Obligated Parent Earning Minimum Wage

Row	Income/Poverty Guidelines/Difference	2021	2020	2019	2018
1	Gross Income from Full-time Earnings at Minimum Wage	\$1,267	\$1,267	\$1,267	\$1,267
2	After-tax Income from Full-time Earnings at Minimum Wage Assuming Tax Filer	\$1,139	\$1,103	\$1,102*	\$1,135
3	Federal Poverty Guidelines for One Person ²⁶	\$1,073	\$1,063	\$1,041	\$1,012
4	Maximum Child Support Order for Obligated Parent Earning Minimum Wage (difference between Rows 2 and 3)	\$ 66	\$ 40	\$61	\$ 124

*There were some anomalous changes at low incomes in the federal income tax withholding formula due to tax reform legislated in December 2017 and the IRS's gradual changes in income withholding formulas and the W-4 form to accommodate the tax reform.

Assuming all orders less than \$124 per month are based on a self-support reserve adjustment and minimum-wage earnings, this would mean that 38 percent of sampled orders are based on a self-support reserve adjustment and an obligated parent with full-time, minimum wage earnings or less. This is likely to overstate the actual percentage because some guidelines calculations produce orders less than \$124, particularly if there is a shared placement or split custody calculation and the parents have near-equal incomes or in situations where the receiving party has considerably more income than the obligated parent. Based on the attorney logs, however, these situations are not common.

²⁶ U.S. Department of Health and Human Services. (Feb. 2021). *U.S. Federal Poverty Guidelines Used to Determine Financial Eligibility for Certain Federal Programs*. Retrieved from <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines/prior-hhs-poverty-guidelines-federal-register-references/2021-poverty-guidelines#guidelines>.

Deviations from the Guidelines.

Exhibit 9 shows Wyoming provisions for guidelines deviations. It names 13 specific guidelines deviation reasons, including a more general one (*i.e.*, other factors considered by the court) and one addressing potential income for a parent who is voluntarily unemployed or underemployed.

Exhibit 9: Wyoming Guidelines Provision for Deviations

Wyo. Stat. § 20-2-307
<p>(b) A court may deviate from the presumptive child support established by W.S. 20-2-304 upon a specific finding that the application of the presumptive child support would be unjust or inappropriate in that particular case. In any case where the court has deviated from the presumptive child support, the reasons therefor shall be specifically set forth fully in the order or decree. In determining whether to deviate from the presumptive child support established by W.S. 20-2-304, the court shall consider the following factors:</p> <ul style="list-style-type: none">(i) The age of the child;(ii) The cost of necessary child day care;(iii) Any special health care and educational needs of the child;(iv) The responsibility of either parent for the support of other children, whether court ordered or otherwise;(v) The value of services contributed by either parent;(vi) Any expenses reasonably related to the mother's pregnancy and confinement for that child, if the parents were never married or if the parents were divorced prior to the birth of the child;(vii) The cost of transportation of the child to and from visitation;(viii) The ability of either or both parents to furnish health, dental and vision insurance through employment benefits;(ix) The amount of time the child spends with each parent;(x) Any other necessary expenses for the benefit of the child;(xi) Whether either parent is voluntarily unemployed or underemployed. In such case the child support shall be computed based upon the potential earning capacity (imputed income) of the unemployed or underemployed parent. In making that determination the court shall consider:<ul style="list-style-type: none">(A) Prior employment experience and history;(B) Educational level and whether additional education would make the parent more self-sufficient or significantly increase the parent's income;(C) The presence of children of the marriage in the parent's home and its impact on the earnings of that parent;(D) Availability of employment for which the parent is qualified;(E) Prevailing wage rates in the local area;(F) Special skills or training; and(G) Whether the parent is realistically able to earn imputed income.(xii) Whether or not either parent has violated any provision of the divorce decree, including visitation provisions, if deemed relevant by the court; and(xiii) Other factors deemed relevant by the court. <p>(c) If the parties fail to agree that the presumptive child support amount under W.S. 20-2-304 is appropriate, the court may order the party seeking to deviate from the presumptive child support amount to pay reasonable attorney fees and court costs to the other party unless, after hearing the evidence and considering the factors contained in subsection (b) of this section, the court deviates from the presumptive support amount.</p> <p>(d) Agreements regarding child support may be submitted to the court. All such agreements shall be accompanied by a financial affidavit as required by W.S. 20-2-308. The court shall use the presumed child support amounts to review the adequacy of child support agreements negotiated by the parties. If the agreed amount departs from the presumed child support, the parties shall furnish statements of explanation which shall be included with the forms and shall be filed with the court. The court shall review the agreement and inform the parties whether or not additional or corrected information is needed, or that the agreement is approved or disapproved. No agreement which is less than the presumed child support amount shall be approved if means tested sources of income such as aid under the personal opportunities with employment responsibilities (POWER) program, health care benefits under Title XIX of the Social Security Act, supplemental nutrition assistance program, supplemental security income (SSI) or other similar benefits are being paid on behalf of any of the children.</p>

Findings about Guidelines Deviations from Attorney Logs

Based on the attorney logs, the overall guidelines deviation rate was 20 percent. Exhibit 10 shows the deviation rates for various subgroups and that most deviations were downward.

Exhibit 10: Direction and Average Amount of Guidelines Deviation by Selected Characteristics

	All Orders from June 2021 Attorney Logs (N=223)	Orders with ...			
		Income Imputed to Obligated Parent (N=89)	Self-Support Reserve Was Applied (N=78)	No Income Imputation to Either Party (N=75)	Shared Placement (N=16)
Deviation Rate	20%	11%	14%	23%	13%
	June 2021 Attorney Logs (N=45)	Orders with Deviations and...			
		Income Imputed to Obligated Parent (N=10)	Self-Support Reserve Was Applied (N=11)	No Income Imputation to Either Party (N=17)	Shared Placement (N= 2)
Deviation Direction (%)					
Upward	13%	20%	27%	12%	100%
Downward	87%	80%	73%	88%	-
Average Order Amount					
Before Deviation	\$595	\$356	\$131	\$815	\$102
After Deviation	\$349	\$139	\$89	\$490	\$175
Amount of the Deviation					
Average	\$249	\$231	\$42	\$325	\$73
Median	\$156	\$50	\$47	\$173	\$73

In contrast, Nebraska’s most recent review found a deviation rate of 2.9 percent.²⁷ Colorado’s most recent review reported a 6 percent deviation rate among modified orders and a 1.7 deviation rate among establishment orders.²⁸ Deviation rates from other neighboring states were not readily available. One reason that Nebraska and Colorado’s deviation rates are lower is because the way the information was collected in those states. Deviations are not always noted on automated systems because workers putting up the information do not always know if the courts deviated. In turn, this produces a lower deviation rate than the actual deviation rate when automated system data are used. States that collect the data from actual court files tend to have higher guidelines deviation rates. For example, Arizona’s most recent review found a guidelines deviation rate of 27 percent,²⁹ while

²⁷ Nebraska Child Support Advisory Commission. (Dec. 2018). *2018 Nebraska Child support Guidelines Review: Findings and Recommendation*. Retrieved from <https://supremecourt.nebraska.gov/sites/default/files/rules/FindingsAndRecommendations.pdf>.

²⁸ Colorado Child Support Commission. (July 2019). *State of Colorado Child Support Commission: Final Report*. p. 21. Retrieved from <https://childsupport.state.co.us/sites/default/files/2019-08/DCSS%20Commission%20FINAL%20PRINT%20DOCUMENT%206-17-19-smaller%20file%20%281%29%20%281%29.pdf>.

²⁹ Venohr, Jane & Matyasic, Savannahna (Feb. 23, 2021). *Review of the Arizona Child Support Guidelines: Findings from the Analysis of Case File Data and Updating the Child Support Schedule*. Report to the Arizona Supreme Court Administrative Office of the Court. Retrieved from <https://www.azcourts.gov/Portals/74/FCIC-CSGR/SupplementalPacket-030121-FCIC-CSGRS.pdf?ver=2021-02-26-161844-187>.

California's was 17 percent.³⁰ In short, Wyoming's deviation rate is not high when compared to all states.

Exhibit 11 examines the frequency that individual guidelines deviation reasons were used. Although Wyoming mentions 13 deviation criteria, only six of those criteria were used among the deviations in the logs. The most common was other children to support. Unlike most states, Wyoming does not provide an income deduction for other children to support unless support is being paid through a court order. As discussed later, a parent may have other children in their home because they are remarried or due to another situation. Many states provide for the deduction of a theoretical order for the additional children in the home. The theoretical order is calculated using that parent's income and the number of children living with that parent. Some states (*e.g.*, Colorado and Tennessee) weigh the theoretical order by 75 percent because the weight equalize income available for the children in the home and the children for whom support is being determined. The Tennessee language is more straightforward than the Colorado language and simply states:

The available credit against gross income for either parent's qualified "in-home" children is seventy-five (75%) of a theoretical support order calculated according to these Guidelines...

Exhibit 11: Reasons for Guidelines Deviations and the Frequency of Their Use (Data Source: June 2021 Attorney Logs)

Deviation Factors	% of Deviations (N=45)
The responsibility of either parent for the support of other children, whether court ordered or otherwise.	47%
Parties requested or agreed to amount	24%
Whether either parent is voluntarily unemployed or underemployed	11%
Any expenses reasonably related to the mother's pregnancy and confinement for that child, if the parents were never married or if the parents were divorced prior to the birth of the child	9%
Other factors deemed relevant by the court.	7%
The cost of transportation of the child to and from visitation	2%

Findings about Guidelines Deviations from POSSE Extract

Although POSSE contains a data field to track guidelines deviations, like with many states it is not always populated. One reason is that those entering the information onto the automated system do not have the information readily available from the courts. Based on POSSE information, the overall deviation rate was 11 percent. Deviations were more common amongst non-IV-D orders than IV-D orders within the POSSE extract, with 15 percent of non-IV-D orders having deviation and 8 percent of IV-D orders. A deviation reason was provided for all POSSE cases in which a deviation was noted. For those with recorded deviations, the primary reason for deviation was simply a judicial order (87%); the next most common reason (6%) was that there was a shared parenting agreement, and 5 percent of deviations were due to the responsibility of parents to provide for other children. In cases where the reason recorded was "judge ordered," it is unknown what circumstances led to the judge providing a deviation. The POSSE extract also included a field for the amount of deviation. For those with deviations, the

³⁰ Judicial Council of California, Review of Statewide Uniform Child Support Guideline 2017. San Francisco, CA. Retrieved from <http://www.courts.ca.gov/documents/lr-2018-JC-review-of-statewide-CS-guideline-2017-Fam-4054a.pdf>.

average and median deviations were \$257 and \$161, respectively, which is similar to what is shown in the attorney logs. The average amounts of deviation did not differ significantly between IV-D and non-IV-D orders.

Analysis of Payments

As mentioned earlier, payment information comes from the POSSE extract. Payments are only analyzed for those orders in which support was due in FFY2019. Exhibit 12 summarizes payment information. In general, payment patterns were better among IV-D orders than non-IV-D orders. IV-D orders had a higher rate of payment than non-IV-D orders (e.g., 91% of IV-D orders made payments, as compared to 65% of non-IV-D orders) over the 12 months examined. Nonetheless, not much should be read into this difference. It is likely that many of the IV-D orders were court-ordered to pay through POSSE due to an enforcement issue or nonpayment.

Exhibit 12: Analysis of Payments over FFY2020

	FFY 2019 Orders from the POSSE Extract		
	Total (N=1,500)	IV-D (N=847)	Non-IV-D (N=653)
Percentage that Made Any Payments over 12 Months			
Yes	80%	91%	65%
No	20%	9%	35%
Total Support Paid Over Year			
Mean	\$4,116	\$3,457	\$4,970
Median	\$2,213	\$2,463	\$1,478
Average Monthly Support Paid			
Mean	\$343	\$288	\$414
Median	\$184	\$205	\$123
Months with Payment			
Mean	6.9	7.9	5.6
Median	8.0	10.0	6.0
Percentage of Support Due that was Paid			
Mean	60%	67%	52%
Median	77%	80%	67%

Payments and Minimum-Wage Income

Payment patterns often vary by the income level of the parties. Because income information was not available for data extracted from POSSE, this report uses a proxy for full-time, minimum wage earnings based on the maximum final order amount for obligated parents earning full-time, minimum wage earnings (\$124, as described in Exhibit 8). One-fifth of all orders with payment data had order amounts below \$124. Exhibit 13 shows the payment patterns for these cases; specifically, the payment patterns for these cases are generally worse than the average for all orders.

Exhibit 13: Analysis of FFY 2020 Payments among Orders where the Obligated Parent's Appeared to Equal or Be Less than Full-Time, Minimum Wage Earnings

	POSSE Order Amounts Were \$124 or Less per Month		
	Total (N=285)	IV-D (N=187)	Non-IV-D (N=98)
Percentage that Made Payments			
Yes	67%	79%	45%
No	33%	21%	55%
Total Support Paid Over Year			
Mean	\$629	\$664	\$561
Median	\$158	\$256	\$0
Average Monthly Support Paid			
Mean	\$52	\$55	\$47
Median	\$13	\$21	\$0
Months with Payment			
Mean	4.6	5.2	3.4
Median	3.0	5.0	0.0
Percentage of Support Due that was Paid			
Mean	41%	45%	32%
Median	31%	42%	0%

Payments among Parents with History of Incarceration

When analyzing payment patterns for orders in which the obligated parent had past incarceration, the analysis found that they were less likely to make payments (66% of previously incarcerated made payments), paid for fewer months (4.25), and paid a lower average percentage of support due (37%) than those with no history of incarceration.

Payments and Enforcement Actions

Payment patterns were also analyzed for those orders with income withholding. Orders with effective income withholding made up just over a quarter (28%) of all orders, and generally had better payment patterns than the average for all orders and those without income withholding.³¹ Payment patterns for those with effective income withholding are shown in Exhibit 14. All orders with income withholding in effect made payments. The average total amount paid for the year and average monthly amounts paid were \$4,404 and \$367, respectively, and the average monthly order amount was \$498. The average number of months with payment for parents with income withholding was 9.7 months, and they paid an average of 79 percent of what was due.

³¹ Orders with income withholding had a higher rate of payment, higher average number of months with payment, and paid a larger percentage of the support that was due than those without income withholding. The differences were significantly significant at $p < 0.01$.

Exhibit 14: FFY2019 Payment Patterns for Orders with Income Withholding

	POSSE Orders with Income Withholding		
	Total (N=557)	IV-D (N=462)	Non-IV-D (N=95)
Percentage that Made Payments over 12 Months			
Yes	100%	100%	100%
No	-	-	-
Total Support Paid Over Year			
Mean	\$4,404	\$4,074	\$6,008
Median	\$3,573	\$3,312	\$5,244
Average Monthly Support Paid			
Mean	\$367	\$340	\$501
Median	\$298	\$276	\$437
Months with Payment			
Mean	9.7	9.6	9.8
Median	11.0	11.0	12.0
Percentage of Support Due that Was Paid			
Mean	79%	79%	81%
Median	91%	90%	93%

A small percentage of cases (2%) noted that the obligated parent received a notice of driver's license suspension or had a suspension recorded. Payment patterns for orders with a notice or suspension were generally similar to that of all cases.

Other Findings from the Analysis of POSSE-Extracted Data

Both the POSSE extract and the attorney logs documented the county of the order. Exhibit 15 shows that the majority of orders (65% from the attorney logs and 74% from the POSSE extract) come from counties that have more than 25,000 residents. Laramie County produced 19 percent of the orders from the extract and 14 percent of the orders from the attorney logs, followed closely by Natrona (16% of the POSSE cases and 14% of attorney log cases) and Campbell (14% of POSSE and 11% of attorney logs) counties.

Exhibit 15: County of the Order

	All FFY2019 POSSE Orders Used for Analysis			June 2021 Attorney Logs (N=223)
	All (N=2,007)	IV-D (N=1,199)	Non-IV-D (N=808)	
County of the Case**				
Albany	3%	2%	5%	5%
Campbell	14%	15%	12%	11%
Fremont	4%	3%	5%	3%
Laramie	19%	19%	19%	12%
Natrona	16%	17%	14%	14%
Park	5%	7%	3%	2%
Sheridan	6%	7%	5%	7%
Sweetwater	8%	9%	6%	11%
All Counties with less than 25,000 residents	26%	23%	32%	35%

**Only counties with more than 25,000 residents are listed.

Exhibit 16 shows general characteristics of the orders from both the POSSE extract and the attorney logs. The majority of orders (60% of POSSE and 73% of attorney logs) were for one child. It was more common for IV-D orders to be for only one child than for non-IV-D orders. The father was the obligated parent in 79 percent of orders and was the custodial party in 15 percent of orders. The mother was most likely to be the custodial person (72%), but was the obligated parent in 19 percent of orders. A non-parent was the custodial parent among 20 percent of the IV-D orders and 4 percent of the non-IV-D orders in POSSE.

Exhibit 16 also shows that the average ages of the obligated parent and the custodial parties were 36.2 and 35.5, respectively. The average age of the youngest child on the order was 7.9 years old. The relationship and ages of parties were not available from the attorney logs. Age was calculated from the birth year of the parent. POSSE did not have the birth year available for all parents.

Basic Custody and Shared Placement

Exhibit 16, the vast majority of all orders were for basic custody, while only a few orders were for shared placement. There were no split custody orders in the samples. Still, there is a noticeable difference in the percentage of shared placements among the FFY2019 POSSE sample and the June 2021 attorney log. The sampling is insufficient to know whether this represents increased application of the shared placement adjustment over time since the data were collected during different time periods. The increase could be explained due to increased need for at-home parenting and homeschooling due to the COVID-19 pandemic or increasing awareness of the provision since it was recently adapted. Nonetheless, one source of confusion in applying the shared responsibility adjustment is when the parent with more time has significantly lower income than the lesser-time parent, it is possible for the calculation to produce a higher support order than the guidelines amount for basic custody. This is due to the 150 percent multiplier embedded in the formula that essentially acknowledges that it cost more to raise a child in two households (150% more) than it does to raise a child in one household. The lesser-income parent does not experience a substantial reduction in direct childrearing expenses in proportion to that parent's share of prorated childrearing expenses. A few states that use the same formula as Wyoming address this by providing that the shared placement order can never be more than the shared placement order. For example, Colorado provides that:

The child support order amount cannot exceed the amount of child support that would otherwise be ordered to be paid if the parents did not share physical custody. Therefore, compare the Worksheet B to Worksheet A to determine which recommends the lowest amount.

Exhibit 16: Selected Characteristics of Cases and Parties Available from POSSE and Attorney Logs

	All FFY2019 POSSE Orders Used for Analysis			June 2021 Attorney Logs (N=223)
	All (N=2,007)	IV-D (N=1,199)	Non-IV-D (N=808)	
Custody Type				
Basic	99%	99%	100%	93%
Shared Placement	<1%	<1%	0%	7%
Number of Children on the Order				
1 child	60%	66%	50%	73%
2 children	28%	23%	35%	20%
3 children	9%	7%	11%	5%
4 or more children	3%	2%	4%	2%
Relationship of Obligated Parent to Child				
Father	79%	79%	79%	N/A
Mother	19%	20%	18%	
Other	2%	1%	3%	
Relationship of Custodial Person to Child				
Father	15%	13%	19%	N/A
Mother	72%	68%	77%	
Other Relative	5%	6%	3%	
Non-relative	8%	14%	1%	
Average Ages of Parties on the Order				
Obligated Parent	36.2 (N=1,985)	35.5 (N =1,199)	37.3 (N=786)	N/A
Custodial Person	35.5 (N =1,746)	35.0 (N =958)	36.2 (N=788)	
Youngest Child	7.9 (N =2,004)	7.8 (N =1,199)	8.1 (N=805)	

Exhibit 17 shows some additional characteristics of orders available from the POSSE extract only, including incarceration history for the obligated parent, and public assistance status. Only 12 percent of the orders noted previous incarceration of the obligated parent, and only 3 percent noted current incarceration. The rate of previous incarceration was considerably higher among IV-D orders than non-IV-D orders. Only 2 percent had current IV-A TANF assistance, and 7 percent had previous assistance. The majority (91%) did not have current or former TANF assistance.

Foster Care

Only 3 percent of IV-D orders noted federal foster care (Title IV-E of the Social Security Act). One challenge to foster care cases is what income to use for the parent receiving support. There was insufficient data in POSSE to know whether income was imputed to one or both parties in foster care cases; particularly, the receiving party. A very low-income, obligated parent in a foster care case would be eligible for the self-support reserve (SSR) adjustment. Still, if the obligated parent is not eligible for the SSR, imputing income to the other party could lower the order amount. In general, the best practice is to consider the individual circumstances of the foster care case, including ability to pay and whether the goal is family unification with the parent who is being ordered to pay support. This can occur if the child was removed from the home of that parent. The parent may be required to attend parenting education classes or substance abuse counseling and engage in other activities at the hopes of

reunification and these activities may limit the hours that parent may have available to work. This may be accomplished through providing, as Tennessee does, a deviation factor for foster care cases.

Tennessee's provision:

In cases where the child is in the legal custody of the Department of Social Services, the child protection or foster care agency or another state or territory, or any other child-caring entity, public or private, the tribunal may consider a deviation from the presumptive child support order if the deviation will assist in accomplishing a permanency plan or foster care plan for the child that has a goal of returning the child to the parent(s), and the parent's need to establish an adequate household or to otherwise adequately prepare herself or himself for the return of the child clearly justifies a deviation for this purpose.

Exhibit 17: Additional Characteristics of Cases and Parents Available Only from POSSE

	All FFY2019 POSSE Orders Used for Analysis		
	All (N=2,007)	IV-D (N=1,199)	Non-IV-D (N=808)
Past Incarceration of Obligated Parent			
Past Incarceration Known	12%	18%	4%
None known to agency	88%	82%	96%
Current Incarceration of Obligated Parent			
Current Incarceration Known	3%	4%	2%
None known to agency	97%	96%	98%
Public Assistance Status: IV-A			
Current TANF Assistance	2%	3%	0%
Former TANF Assistance	7%	10%	4%
Never TANF Assistance	91%	88%	97%
Medicaid Only	0%	0%	0%
Foster Care Status (IV-E)	2%	3%	0%

Lastly, the POSSE extract contained information on the amount of arrears present at order establishment. Over half (51%) of all IV-D orders had arrears, while only 14 percent of non-IV-D orders had arrears. For those with arrears, the average and median amount of arrears were \$6,073 and \$1,722, respectively, for IV-D orders and \$5,279 and \$3,156 for non-IV-D orders.

Exhibit 18: Arrears at Order Establishment

	All FFY2019 POSSE Orders Used for Analysis		
	All (N=2,007)	IV-D (N=1,199)	Non-IV-D (N=808)
Arrears at Order Establishment			
Have Arrears at Order Establishment	36%	51%	14%
No Arrears Noted at Order Establishment	64%	49%	86%
Amount of Arrears (if applicable)	(N=724)	(N=607)	(N=117)
Average	\$5,945	\$6,073	\$5,279
Median	\$1,929	\$1,722	\$3,156

Amount of Current Support Ordered

The amount of current support ordered was available from both the POSSE extract and the attorney logs, though the attorney logs suggested less variation between the mean and the median of the monthly order amounts than orders that were established or modified in FFY2019, which is the POSSE extract. In other words, there was more uniformity in the order amounts of the attorney logs; whereas, the POSSE logs had more orders less than the average order than orders more than the average order. Attorneys completed the logs in June 2021. The economic impact of the COVID-19 pandemic may have affected employment and incomes used to determine child support. As mentioned in the discussion of income imputation, there may have been more income imputation at minimum wage due to the labor market uncertainties of the COVID-19 pandemic.

Exhibit 19: Monthly Order Amounts

	All FFY 2019 POSSE Orders Used for Analysis			June 2021 Attorney Logs (N=233)
	All (N=2,007)	IV-D (N=1,199)	Non-IV-D (N=808)	
Monthly Order Amount				
Mean	\$425	\$318	\$582	\$327
Median	\$278	\$226	\$349	\$300
Monthly Order Amount (% of orders)				
\$0	25%	30%	17%	6%
\$1–\$50	4%	2%	6%	4%
\$51–\$100	7%	8%	5%	25%
\$101–\$200	9%	9%	9%	7%
\$201–\$300	9%	8%	10%	11%
\$301–\$400	9%	10%	9%	14%
\$401–\$500	9%	10%	8%	9%
\$501–\$600	7%	7%	6%	9%
\$601–\$750	6%	6%	7%	8%
\$751–\$900	5%	4%	8%	4%
More than \$900	10%	7%	15%	4%

As shown in Exhibit 19, order amounts also varied by whether the order was an IV-D order or a non-IV-D order, with non-IV-D orders averaging \$582 and IV-D orders averaging \$318. IV-D orders also had a higher share of zero orders. When considering non-zero order amounts, the average and median order amounts were \$454 and \$389, respectively for IV-D orders, and \$704 and \$450, respectively, for non-IV-D orders. One reason for the zero orders may have been a concerted effort during the sample year to modify order among incarcerated parents when appropriate.

Exhibit 20 shows the average monthly order amounts by the number of children on the order.

Exhibit 20: Order Amounts by Number of Children

	All FFY2019 POSSE Orders Used for Analysis			June 2021 Attorney Logs (N=233)
	All (N=2,007)	IV-D (N=1,199)	Non-IV-D (N=808)	
Average Monthly Order Amount by Number of Children				
1 Child	\$307	\$209	\$498	\$261
2 Children	\$525	\$486	\$565	\$452
3 or More Children	\$777	\$641	\$922	\$682

Incarcerated Parents

Order amounts also varied with the incarceration status of the obligated parent. The average and median order amounts for parents with current incarceration was \$94 and \$0, respectively. For those with any previous incarceration, the average and median were \$106 and \$0, respectively; this is significantly lower than the average and median order amounts for those without incarceration.³² This is likely due to the lower average earnings and potential earnings of those with previous incarceration records. Previous incarceration is also an ability to pay issue because once released, job seekers with a history of incarceration have fewer job opportunities.

Zero Orders

As noted in Exhibit 19, a quarter (25%) of the orders from the POSSE extract were zero orders. Nearly a third (30%) of IV-D orders were zero orders, and 17 percent of non-IV-D orders were zero orders. Only 6 percent of the orders from the attorney logs were zero orders. The higher percentage of zero orders in the POSSE extract may have reflected an initiative at that time to modify orders among incarcerated parents when appropriate. Orders in which it was noted that the obligated parent had either past or current incarceration on POSSE were significantly more likely to be zero orders. Most (66%) orders in which previous incarceration as noted were zero orders. Most (54%) zero orders had incomes of \$0 for the obligated parent.

Zero orders correlated somewhat with the availability of the obligated parent's quarterly wage data. Just over half (51%) of non-zero orders had income information available for SFY 2019, which covers most of the sample year, while only 46 percent of zero orders had wage data available. The average and median monthly estimated wage based on SFY2019 quarterly wage data when available were \$2,004 and \$1,208, respectively for zero orders, compared to \$3,312 and \$2,681 for non-zero orders.

Zero orders did not appear to differ from non-zero orders in deviation rate, or percentage of newly established or modified orders, or by notice of or suspension of driver's license.

Other Support

Medical support was ordered in 77 percent of orders, but the details of how that was ordered were not captured in the extract. It is likely to require the parent(s) to provide health insurance for the children if

³² This difference is statistically significant. These order amounts are lower than the order amounts for those without incarceration. $P < 0.05$.

available at reasonable in cost. Cash medical support was ordered in a few orders (less than 1%). Few orders (less than 1%) also had spousal support ordered.

Parties with Other POSSE Cases

Data from the POSSE extract noted whether the custodial parties and obligated parents had other POSSE cases.³³ Exhibit 21 shows the percentages of all orders in which the custodial person or obligated party had another POSSE case. The case may or may not have an established order. The party may be an alleged parent or a parent to case without an order. The last row of Exhibit 21 also shows the number of actual POSSE orders that the obligated parent had.

Exhibit 21: Percentage of Parties with More than One POSSE Case

	All POSSE Orders Used for Analysis		
	All (N=2,007)	IV-D (N=1,199)	Non-IV-D (N=808)
Custodial Person Is a Custodian on Another POSSE Case			
None	64%	61%	69%
One case	22%	22%	21%
Two or more	14%	17%	10%
Custodial Person Is Obligated Parent/Alleged Parent on Another Case			
None	91%	91%	91%
One case	5%	5%	5%
Two or more	4%	4%	4%
Percent of Other POSSE Orders where the Obligated Parent is a Custodian			
None	91%	90%	93%
One case	6%	6%	5%
Two or more	3%	4%	2%
Obligated Parent Is Obligated Parent/Alleged Parent on Another Case			
None	53%	44%	67%
One case	22%	25%	18%
Two or more	25%	31%	15%
Percent of Obligated Parents with Other POSSE Orders			
None	82%	80%	86%
One order	14%	16%	12%
Two or more	4%	4%	2%

³³ Due to the programming required, it was not clear whether to interpret the count as including the case that brought the order into the sample, particularly since there were counts of zero and one. It was assumed that zero and one case (order) included the case (order) that brought the case into the sample. The actual breakdown between none and one POSSE case (order) was 12% (none) and 52% (one case) where the custodial parent is a custodian on another POSSE case; 79% (none) and 12% (one case) where the custodial parent is an obligated parent/alleged parent on another case; 77% (none) and 14% (one case) where the obligated parent is a custodian on another POSSE case; 0% (none) and 53% (one case) where the obligated parent is an obligated parent/alleged parent on another case; and 10% (none) and 72% (one case) where the obligated parent had another POSSE order.

Analysis of Quarterly Wage Data

At the time of the extract, POSSE did not provide a means for obtaining income information used for the guidelines calculation. In contrast, some states are able to provide extracts of all information used for the guidelines calculation from their automated guidelines calculator that is attached to their child support system. This information typically includes incomes of the parties and whether a guideline deviation was made. The POSSE system does not allow for the tracking of guidelines calculations or guidelines income but does interface with the Wyoming Department of Workforce Services to obtain quarterly wage data that is reported to the state for the state's unemployment insurance program and other purposes. Federal regulation allows state child support programs access to the quarterly wage data for enforcing and establishing child support, locating parties, and discovering income.

Quarterly wage data for the obligated parent and custodial parties were available for orders from the POSSE extract covering two state fiscal years (SFY) that start June 1 of each calendar year: SFY2019 (Q3 2018 – Q2 2019), and SFY 2020 (Q3 2019 – Q2 2020). These time periods are slightly different from the order sample year and payment sample year, which was on the federal fiscal year that starts October 1 of each year. One reason for the different time periods is lags in when quarterly wage data is collected and available for reporting. Three-quarter lags are common. Despite the slight differences in time periods, the wage data still is useful toward understanding the incomes of parents with child support cases.

One limitation to quarterly wage data is that it is not available for all workers. A small number of employers are exempted from the requirement to report employee earnings to the state mostly because they have their own program (*e.g.*, railroad workers). Self-employed individuals are not captured by quarterly wage reporting either. Also, some employers and self-employed individuals do not comply with the reporting requirement.³⁴ Some do not report it to avoid taxes. This unreported income is also known as income from the underground economy or black market.

Availability of Quarterly Wage Data

Exhibit 22 shows the availability of quarterly wage data for each of the two years for both the obligated parent and custodial party. As shown, quarterly wage data was more likely to be available for IV-D orders than for non-IV-D orders tracked by POSSE. To be clear, POSSE does not track all non-IV-D orders in the state, rather only those required to pay through the Clerk or SDU.

The majority (65–70%) of IV-D orders had wage data available for obligated parents, and most (52–56%) of IV-D orders had wage data available for the custodial parties, while less than a fifth (13–19%) of non-IV-D orders had quarterly wage data available for either the obligated or custodial party. In all, the availability of wage data among IV-D orders was slightly higher than what is seen in other states. The lack of availability of quarterly wage data for non-IV-D orders may be caused by POSSE tracking more limited information for non-IV-D orders. Some state automated systems will only conduct a match with a non-IV-D case only if one party has an IV-D case or had an IV-D case or if there is an enforcement issue. This type of detailed information was not gathered about non-IV-D orders for this study.

³⁴ More information about the underground economy and its negative impact on families and state tax revenues is detailed in Michigan Supreme Court. (June 2010). *The Underground Economy: Report of the Underground Economic Task Force*. Retrieved from <https://courts.michigan.gov/Administration/SCAO/Resources/Documents/Publications/Reports/UETF-2010.pdf>.

Exhibit 22 also shows that few parents have evidence of consistent or stable income over time: 29 percent of obligated parents with IV-D orders and 25 percent of custodial persons have consistent or stable quarterly wage income over the two time periods. (Although Exhibit 22 also shows the comparable statistics for parties with non-IV-D, they are not highlighted because of concerns with whether the quarterly wage data match is complete for non-IV-D data.) These statistics suggest that many parties with IV-D orders have inconsistent income, which can be challenging when determining the amount of income to use when calculating the amount of the child support order. They also suggest that order modifications may often be appropriate due to fluctuations in income. Still, these statistics are limited because they do not capture information from self-employed parents, parents whose employers who do have to report quarterly wage data, and parents with unreported income (*i.e.*, work under the table).

Exhibit 22: Availability of Quarterly Wage Data and Indication of Gainful or Steady Income over Time

	All POSSE Orders Used for Analysis		
	All (N=2,007)	IV-D (N=1,199)	Non-IV-D (N=808)
Any Quarterly Wage Data Available in SFY 2019			
Obligated Parent	50%	70%	19%
Custodial Party	41%	56%	18%
Any Quarterly Wage Data Available in SFY 2020			
Obligated Parent	45%	65%	16%
Custodial Party	36%	52%	13%
Income Available in Both Years			
Obligated Parent	39%	56%	14%
Custodial Party	31%	45%	11%
Obligated Parent Has Gainful or Steady Quarterly Wage Income*			
Yes	20%	29%	6%
No	80%	71%	94%
Custodial Party Has Gainful or Steady Quarterly Wage Income*			
Yes	17%	25%	6%
No	83%	75%	94%

*CPR defines gainful or steady income as the quarterly wage data for SFY2020 when converted to an annual amount is greater than or equal to the total annual wages calculated from SFY2019. Those with no wage data in either year are classified as not having gainful or steady income and those with quarterly wage that decreased over time are also not classified as having gainful or steady income.

Approximate monthly wages were calculated from quarterly wage data by taking the total annual wage and dividing by the number of quarters available, divided by three months. Orders with no wage data were not analyzed. Exhibit 23 shows the calculated monthly income of obligated and custodial parties for each year. In general, reported wages were higher among obligated parents than for custodial parties. Order amounts did not vary significantly by IV-D or non-IV-D for those with quarterly wage data available. As shown in the previous exhibit, 39 percent of obligated parents had wage data available for both years.

Exhibit 23: Monthly Estimated Income from Available Wage Data

	All POSSE Orders Used for Analysis with Quarterly Wage Data		
	All	IV-D	Non-IV-D
Monthly Calculated Income of Obligated Parent from Quarterly Wage Data*	N=996	N=841	N=155
Average in SFY2019	\$3,012	\$2,971	\$3,232
Median in SFY2019	\$2,334	\$2,334	\$2,269
Monthly Calculated Income of Obligated Parent from Quarterly Wage Data*	N=907	N=775	N=132
Average in SFY2020	\$3,093	\$3,056	\$3,312
Median in SFY2020	\$2,396	\$2,399	\$2,313
Monthly Calculated Income of Custodial Person from Quarterly Wage Data*	N=825	N=677	N=148
Average in SFY2019	\$2,205	\$2,201	\$2,227
Median in SFY2019	\$1,745	\$1,778	\$1,568
Monthly Calculated Income of Custodial Person from Quarterly Wage Data*	N=725	N=622	N=103
Average in SFY2020	\$2,304	\$2,364	\$1,941
Median in SFY2020	\$1,807	\$1,879	\$1,383

*Monthly income is estimated by taking the total wage, divided by the number of quarters for which wage data was available and divided by three months per quarter available.

Parents with zero orders were less likely to have quarterly wage data for SFY2020 than parents with non-zero orders. Wage data was available for 38 percent of obligated parents with zero orders, compared to 47 percent of obligated parents with non-zero orders. For those that had wage data available, the monthly wages of obligated parents with zero orders were significantly lower in both years than the monthly wages of obligated parents with non-zero orders.³⁵

Wage data availability and amounts were also correlated with whether the order had income withholding. Exhibit 24 shows that orders with income withholding were significantly more likely to have wage data available than those without income withholding. The majority (75%) of orders with income withholding had quarterly wage data available for the obligated parent in SFY2020, compared to just 34 percent of orders without income withholding. For obligated parents that had wage data available in SFY 2020, the average and median incomes for those with income withholding were \$3,607 and \$2,981 per month, respectively, which is higher than the average and median incomes for those without income withholding (\$2,656 and \$1,805 per month, respectively).

³⁵ This difference in quarterly wage income among those with zero orders and those with non-zero orders is statistically significant at $p < 0.01$.

Exhibit 24: Quarterly Wage Data by Income Withholding

	Obligated Parents with Quarterly Wage Data Available		
	All	IV-D	Non-IV-D
Obligated Parent has Quarterly Wage Data Available in SFY2020			
Income Withholding (N=557)	75%	85%	27%
No Income Withholding (n=1,450)	34%	52%	15%
Average Calculated Monthly Wages for Obligated Parent in SFY2020			
Income Withholding (N=417)	\$3,607	\$3,535	\$4,694
No Income Withholding (N=490)	\$2,656	\$2,569	\$2,973
Median Calculated Monthly Wages for Obligated Parent in SFY2020			
Income Withholding (N=417)	\$2,981	\$2,946	\$4,562
No Income Withholding (N=490)	\$1,805	\$1,760	\$1,892

The availability of wage data also corresponded with better overall payment patterns. The vast majority (90%) of orders where the obligated parent had wage data available in SFY2020 made payments, compared to only 70 percent of those without wage data making payments. Orders with wage data available also made more payments (8.0 months on average) than orders where wage data was not available (6.0 months on average) and paid a higher percentage of what was due (67% of due paid, compared to 54%).³⁶

EXAMINATION OF LABOR MARKET DATA

Federal regulation (45 C.F.R. § 302.56(h)) requires the consideration of “labor market data (such as unemployment rates, employment rates, hours worked, and earnings) by occupation and skill-level for the State and local job markets,” and “factors that influence employment rates among noncustodial parents and compliance with child support orders.”

The review of labor market data appears to be aimed at informing recommendations for guidelines provisions for income imputation and low-income adjustments. One of the new federal requirements considers the individual circumstances of the obligated parent when income imputation is authorized. This typically includes consideration of the employment opportunities available to the parent given local labor market conditions. Since labor market conditions may change more frequently than every four years, which is the minimum amount of time a state’s guidelines must be reviewed, adopting the federal language about considering employment opportunities available to a parent given local labor market conditions makes sense.

Unemployment and Employment Rates

As of June 2021, the national unemployment rate was 6.1 percent, while Wyoming’s rate was 5.6 percent.³⁷ These are improvements from 12 months earlier (June 2020), when the national

³⁶ The difference is statistically significant at $p < 0.01$.

³⁷ Wyoming Department of Workforce Services. (Aug. 2021). *Wyoming Labor Force Trends*. Vol. 56, No. 8. Retrieved from <https://doe.state.wy.us/lmi/trends/0821/0821.pdf>.

unemployment rate was 11.2 percent and the Wyoming unemployment rate was 7.3 percent. June 2020 unemployment rates were significantly higher because of the COVID-19 pandemic. The June 2021 county unemployment rates ranged from 3.9 percent in Teton County to 7.4 percent in Natrona County.

The unemployment rates that are reported above are based on the U-3 measurement methodology, which is the conventional rate tracked historically and typically reported in media streams. The official U-3 measurement only counts those who are participating in the labor force, either through employment or active job-seeking, within the last four weeks. Even before the pandemic, the U.S. Bureau of Labor Statistics (BLS) developed alternative measures to better account for discouraged workers who stopped searching for employment, those working part-time who wanted full-time work, and other circumstances that generally yield higher rates. Other issues with measuring unemployment have surfaced since the pandemic. The U.S. BLS has responded by adding questions to the monthly survey measuring unemployment.³⁸ For example, they have added questions concerning whether people were unable to work because the COVID-19 pandemic prevented job-seeking activities or their employers closed or lost business. The intent is to supplement the U-3 measurement. With regards to how this measurement issues are relevant to the guidelines review, they underscore the importance of considering local labor market circumstances when imputing income to a parent and that examining the official unemployment rate (*i.e.*, the U-3) likely understates the severity of employment issues.

There is evidence that labor force participation rates have decreased due to the COVID-19 pandemic, because people quit working and have stopped looking for work. Because they are not in the labor force, they would not be counted in the U-3 unemployment rate. A recent Pew Research Center publication reports that fewer parents (with children younger than 18 years old) were working due to the COVID-19 pandemic.³⁹ The research did not note whether they were no longer participating in the labor force because they are sick or caring for a sick child, fear contracting COVID-19 at work, or another reason. Regardless, the relevance to child support concerns whether these are valid reasons not to presume an unemployed parent can work, and hence, not impute income to that parent. Some state guidelines have provisions that address extreme circumstances that share some similarities to the pandemic. For example, the Louisiana guidelines specifically mention that a party, who is temporarily unable to find work or temporarily forced to take a lower-paying job as a direct result of Hurricane Katrina or Rita, shall not be deemed voluntarily unemployed or underemployed.⁴⁰ Similarly, to ensure that the obligated parent is not denied a means of self-support or a subsistence level, the Indiana guidelines provide for the consideration of “a natural disaster.”⁴¹

³⁸ U.S. Bureau of Labor Statistics. (n.d.). *Labor Force Statistics from the Current Population Survey: Supplemental data measuring the effects of the coronavirus (COVID-19) pandemic on the labor market*. [Effects of the coronavirus COVID-19 pandemic \(CPS\) \(bls.gov\)](#).

³⁹ Kochhar, Rakesh. (Oct. 22, 2020). *Fewer mothers and fathers in U.S. are working due to COVID-19 downturn; those at work have cut hours*. Pew Research Center. Retrieved from [Fewer U.S. mothers and fathers are working due to COVID-19, many are working less | Pew Research Center](#).

⁴⁰ Louisiana Revised Statute 9:315.11 C.(1).

⁴¹ Indiana Rules of Court. (Amended Jan. 1, 2020). *Guideline 2. Use of the Guidelines Commentary*. Retrieved [from Indiana Child Support Rules and Guidelines](#).

Still, more recent data indicates that many workers who were not working during the height of the COVID-19 pandemic are returning to work. The statewide Wyoming labor force (*i.e.*, those working or seeking work) increased from 294,720 workers to 299,440 from May 2021 to June 2021.⁴² Unemployment claims in Wyoming have decreased from 8,180 in June 2020 to 1,811 in June 2021.⁴³

Hours Worked and Income Imputation

Usual or average hours worked also have been used to inform income imputation policies. For example, South Dakota used labor market data on hours worked to reduce the presumption of a 40-hour workweek when imputing income since labor market data indicates South Dakota workers usually work 35 hours per week. In 2020, the average work-hour week in Wyoming was 34.4 hours per week.⁴⁴ National data suggests that the average weekly hours vary by employment sector. For example, as of November 2020, employment in the leisure and hospitality industry averaged 24.4 hours per week, and retail employment averaged 30.9 hours per week.⁴⁵ The data underscores the importance of considering the usual hours worked for the parent's specific occupation when imputing income. Data on hours worked by industry was not readily available for Wyoming.

Low-Skilled Jobs and Employment Opportunities

One issue with imputing earnings is whether there are actual job openings and a sufficient number of available working hours to meet the imputed amount. As noted earlier, workers in some sectors of the economy (*e.g.*, various service sector occupations) do not work 40 hours per week on average. Further, these sectors have been more adversely affected by the COVID-19 pandemic. These sectors often offer some of the lowest-paying occupations. For instance, the median wage for combined food preparation and serving workers, a job that typically requires little experience, is \$9.00 per hour in Wyoming.⁴⁶ This wage amount is more than the federal minimum wage of \$7.25 per hour. Wyoming does not have a statewide minimum wage. Other frequently occurring occupations in Wyoming are truck drivers for heavy and tractor-trailers (with a median wage of \$20.00 per hour) and construction workers with a median wage of \$16.00 per hour.⁴⁷ In all, if jobs are available, income imputation at the federal minimum wage level is reasonable in Wyoming.

Factors that Influence Employment Rates and Compliance

Federal regulation (45 C.F.R. § 302.56(h)(2)) requires the consideration of "factors that influence employment rates among noncustodial parents and compliance with child support orders." The factors that influence labor force participation and employment are numerous, complex, and go beyond child support. The COVID-19 pandemic is an illustration of one factor that can affect labor force participation

⁴² Wyoming Department of Workforce Services. (Aug. 2021). *Supra*, note 37.

⁴³ *Ibid.*

⁴⁴ U.S. Bureau of Labor Statistics. (2020). *Establishment Data: State Hours and Earnings Annual Averages. Table 4. Average hours and earnings of all employees on private nonfarm payrolls.* Retrieved from <https://www.bls.gov/sae/tables/annual-average/table-4-average-hours-and-earnings-of-all-employees-on-private-nonfarm-payrolls-by-state.htm>.

⁴⁵ U.S. Bureau of Labor Statistics. (2019). *Table B-7. Average weekly hours and overtime of production and nonsupervisory employees on private nonfarm payrolls by industry sector, seasonally adjusted.* Retrieved from <https://www.bls.gov/news.release/empst.t23.htm>.

⁴⁶ Wyoming Department of Workforce Services. (Aug. 2021). *Supra*, note 37.

⁴⁷ *Ibid.*

and employment more so than child support. Understanding each of these factors and disentangling their unique impact from the impact of other factors require sophisticated research methods, appropriate data, and substantial effort. Further, the labor market is constantly changing. Again, the impact of the pandemic on the labor market illustrates that the research examining the impact of the pandemic on labor force participation and employment is just starting to emerge, and predictions are constantly changing as the pandemic evolves. Moreover, the impact of these other factors (*e.g.*, the COVID-19 pandemic) may overshadow any impact child support has on labor force participation and earnings.

Despite these limitations, some older academic research has found that child support can affect employment among obligated parents.⁴⁸ One study finds a weak association between changes in fathers' earnings with changes in orders among fathers in couples that had their first child support ordered in 2000.⁴⁹ There are also anecdotes of obligated parents who quit working or turn to unreported employment (also called the underground economy) once wages are garnished for child support. These studies are of limited value for this analysis because they are dated (and hence do not consider today's labor market and child support enforcement practices), and they are not specific to Wyoming. Besides pandemic-related employment changes, opportunities for income from unreported employment are rapidly changing. It is becoming more common to have multiple jobs, where a parent may have unreported employment for one job and not have reported employment for the other job. Still, more mechanisms are being developed to facilitate the reporting of gig economy jobs (*e.g.*, drivers for ridesharing). As is, the earnings from unreported employment are often sporadic and inconsistent. Many guidelines or guidelines users average incomes among parties with sporadic and inconsistent earnings as long as it is above full-time, minimum-wage earnings.

In addition, Exhibit 23 shows that the percentages of obligated parents and custodial persons with quarterly wage income data decreased from SFY2019 to SFY2020. This may suggest some reductions in employment over time. Arguably, some obligated parents may have left the workforce to avoid paying their newly established or modified child support order. Still, the reasons are more likely to relate to the pandemic that has caused a range of employment termination and quits for a wide variation of reasons including business closures and health concerns. Data is insufficient to definitively attribute the decline to a particular reason.

⁴⁸ Holzer, Harry J. Offner, Paul, & Sorensen, Elaine. (Mar. 2005). "Declining employment among young black less-educated men: The role of incarceration and child support." *Journal of Policy Analysis and Management*.

⁴⁹ Ha, Yoonsook, Cancian, Maria, & Meyer, Daniel, R. (Fall 2010). "Unchanging Child Support Orders in the Face of Unstable Earnings." *Journal of Policy Analysis and Management*. Vol. 29, No. 4, pp. 799–820.

SECTION 3: COST OF RAISING CHILDREN AND UPDATING THE CHILD SUPPORT TABLES

Child support tables are part policy and part economic data. Most state guidelines, including Wyoming's guidelines, rely on studies of child-rearing expenditures as the underlying basis of their child support table or formula. Besides an economic study, there is economic data, as well as technical assumptions used to convert economic data on the cost of raising children to a table (*e.g.*, updating the study to current price levels, excluding child care expenses because the actual child care expense is considered as a deviation factor in the guidelines calculation). This section first reviews the economic studies on child-rearing expenditures and then summarizes other economic data and technical assumptions used to develop updated tables. Appendix A provides a more detailed, technical description of the data and steps used to develop updated tables.

ECONOMIC STUDIES OF CHILD-REARING EXPENDITURES

Basis of Current Wyoming Child Support Table and Other State Guidelines

There are ten different studies that form the basis of state child support guidelines. All of the studies consider what families actually spend on children rather than the cost of the minimum or basic needs of children only. The premise of most state guidelines is that children should share in the lifestyle afforded by their parents; that is, if the obligated parent's income affords the obligated parent a higher standard of living, the support order should also be more for that higher-income parent.

The ten studies vary by age and the methodology used to separate the child's share of expenditures from total household expenditures. The most commonly used studies are those conducted by Professor David Betson of the University of Notre Dame, using the Rothbarth methodology to separate the child's share of expenditures from total household expenditures. There are five Betson-Rothbarth (BR) studies of different ages.⁵⁰ Most (38 states including Wyoming) and the District of Columbia and Guam rely on a BR study as the basis of their guidelines schedule or formula. The existing Wyoming child support tables, which were updated to 2012 price levels, are based on the fourth Betson-Rothbarth study (BR4) that used expenditures data collected from 2004-2009.⁵¹ The most recent BR study,⁵² which is the fifth BR study (BR5), and funded by Arizona, was conducted this year and forms the basis of the proposed, updated tables.

Several of the other studies underlying state guidelines are older or tailored for that state's income, so they are not suitable options for updating the Wyoming tables. For example, the second and third most

⁵⁰ The five Betson studies using the Rothbarth methodology were published in 1990, 1998, 2006, 2010, and 2020. The first study is Betson, David M. (1990). *Alternative Estimates of the Cost of Children from the 1980-86 Consumer Expenditure Survey*. Report to U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation. University of Wisconsin Institute for Research on Poverty, Madison, WI).

⁵¹ Betson, David M. (2010). "Appendix A: Parental Expenditures on Children," in Judicial Council of California, *Review of Statewide Uniform Child Support Guideline*. San Francisco, California. Retrieved from

⁵² Betson, David M. (2021). "Appendix A: Parental Expenditures on Children: Rothbarth Estimates" In Venohr, Jane and Matyasich, Savannah (Feb. 23, 2021). *Review of the Arizona Child Support Guidelines: Findings from the Analysis of Case File Data and Updating the Child Support Schedule*. Report to the Arizona Supreme Court Administrative Office of the Courts. Retrieved from <https://www.azcourts.gov/Portals/74/FCIC-CSGR/SupplementalPacket-030121-FCIC-CSGRS.pdf?ver=2021-02-26-161844-187>.

frequently used studies for state child support guidelines date back to the 1980s.⁵³ Still another example is the Rothbarth study for New Jersey that was adjusted for New Jersey's above-average income.⁵⁴ Due to this income adjustment, it is not appropriate for other states to utilize.

Overview of the Consumer Expenditure Survey (CE)

Most studies of child-rearing expenditures, including the BR measurements, draw on expenditures data collected from families participating in the Consumers Expenditures Survey (CE) that is administered by the Bureau of Labor Statistics (BLS). Economists use the CE because it is the most comprehensive and detailed survey conducted on household expenditures and consists of a large sample. The CE surveys households on hundreds of items; yet, most studies of child-rearing expenditures do not itemize expenditure items. Rather, their methodologies, which are discussed later, generally consider the total expenditures of a household and measuring the child's share of those total expenditures.

The CE surveys about 6,000 households per quarter on expenditures, income, and household characteristics (e.g., family size). Households remain in the survey for four consecutive quarters, with households rotating in and out each quarter. Most economists, including Betson, use three or four quarters of expenditures data for a surveyed family. This means that family expenditures are averaged for about a year rather than over a quarter, which may not be as reflective of typical family expenditures. (In his fifth study, Betson does explore using quarterly data rather than analyzing annual data.)

Each of the BR studies used the most current expenditures data from CE available at the time the study was conducted. The sampling of the CE is not designed to produce state-specific measurements of expenditures. To expand the CE so it could produce state-specific measurements would require a much larger sample, as well as other resources, and would take several years to accomplish. Instead, Betson (and other researchers) developed national measurements of child-rearing expenditures by pooling multiple data years to obtain an adequate sample size. As elaborated upon in Appendix A, Betson compiled other statistics from the same subset of CE families that he used to measure child-rearing expenditures. These other statistics are also used to develop child support tables. Specifically, these other statistics include the average ratio of expenditures to income, average child care expenditures, and average healthcare expenses for several income ranges. Some states with incomes or price parities that differ substantially from the national average make an adjustment to the national data. Wyoming's incomes and price parities do not suggest an adjustment is warranted.⁵⁵

⁵³ Most states that have not made major changes to their guidelines schedule or formula for over two decades relate to one of two studies: van der Gaag, Jacques. (1981). "On Measuring the Cost of Children." *Discussion Paper* 663–81. University of Wisconsin Institute for Research on Poverty, Madison, WI; or Espenshade, Thomas J. (1984). *Investing in Children: New Estimates of Parental Expenditures*. Urban Institute Press: Washington, D.C.

⁵⁴ New Jersey Child Support Institute (Mar. 2013). *Quadrennial Review: Final Report*, Institute for Families, Rutgers, the State University of New Jersey, New Brunswick, NJ. Retrieved from http://www.judiciary.state.nj.us/reports2013/F0_NJ+QuadrennialReview-Final_3.22.13_complete.pdf.

⁵⁵ For example, the 2019 Wyoming price parity is 92.8, which means Wyoming prices are almost 7% less than the national average. U.S. Bureau of Economic Analysis. (Dec. 2020.) *2019 Regional Price Parities by State (US = 100)*. Retrieved from [Regional Price Parities by State and Metro Area | U.S. Bureau of Economic Analysis \(BEA\)](https://www.bea.gov/data/regional-price-parities).

Committed to producing data that is of consistently high statistical quality, relevance, and timeliness, the BLS closely monitors and continuously assesses the quality of the CE and makes improvements when appropriate. Some of these improvements have occurred in between BR studies; hence, they can affect differences between BR studies conducted in different years.

Most Current Studies of Child-Rearing Expenditures and Methodologies

Of utmost interest to Wyoming is the most current Betson-Rothbarth (BR5) study because the existing Wyoming tables are based on an earlier BR study. Besides the BR5, three other recent studies of child-rearing expenditures are discussed. None are based on data as recent as used in the BR5 measurements, and two of the studies are not used by any other state. Further, two of the studies are based on different methodologies.

Economic Methodologies

As mentioned earlier, there are several different economic methodologies for separating the child's share of expenditures from total household expenditures. Different methodologies were reviewed extensively as part of two 1990 reports commissioned by the U.S. Department of Health and Human Services to respond to a Congressional mandate to provide economic data on child-rearing costs that could help states develop and update their child support guidelines. For one of the reports, Professor David Betson used five different economic methodologies to measure child-rearing expenditures, including his first Rothbarth measurements.⁵⁶ Betson concluded that the results from the Rothbarth methodology were the most robust of the five methodologies;⁵⁷ hence, he recommended that Rothbarth estimates of child-rearing expenditures be used for state guidelines. The second study, resulting from the Congressional mandate, was by Lewin/ICF.⁵⁸ It assessed what measurements of child-rearing expenditures, including the Betson measurements, would be best for state child support guidelines.

One of the other methodologies explored by Betson was the Engel methodology. The Engel and Rothbarth methodologies are named after the economists who developed them. Both are considered marginal cost approaches; that is, they consider how much more is spent by a couple with children than a childless couple of child-rearing age. The methodologies compare expenditures of two sets of equally well off families, one with children and one without children. The difference in expenditures between the two sets is deemed to be child-rearing expenditures. The Engel and Rothbarth methodologies use different indicators of equally well-off families. The Engel methodology uses expenditures on food, while the Rothbarth methodology relies on expenditures for adult goods to determine equally well-off

⁵⁶ Betson, David M. (1990). *Alternative Estimates of the Cost of Children from the 1980–86 Consumer Expenditure Survey*. Report to U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation. University of Wisconsin Institute for Research on Poverty, Madison, Wisconsin.

⁵⁷ In statistics, the term “robust” is used to mean that the statistics yield good performance that are largely unaffected by outliers or sensitive to small changes to the assumptions.

⁵⁸ Lewin/ICF. (1990). *Estimates of Expenditures on Children and Child Support Guidelines*. Report to U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation. Fairfax, Virginia.

families.⁵⁹ Through calculus, economists have proven that the Engel methodology's reliance on food shares overstates actual child-rearing expenditures because children are relatively food intensive.⁶⁰ By contrast, the calculus behind using expenditures on adult goods in the Rothbarth methodology finds that the Rothbarth estimator understates actual child-rearing expenditures because parents essentially substitute away from adult goods when they have children.⁶¹

Using the Lowest and Highest of Credible Measurements to Assess Guidelines Amounts

Recognizing economists do not agree on which methodology best measures actual child-rearing expenditures, Lewin/ICF was the first to assess the appropriateness of state guidelines by generally examining whether a state's guidelines amount was between the lowest and the highest of credible measurements of child-rearing expenditures. Amounts that were above the lowest credible measurement of child-rearing expenditures were deemed as adequate support for children. This also responded to a major concern in the 1980s that state child support guidelines provided inadequate amounts for children; that is, they were too low relative to the poverty amount.⁶²

This methodology has been used for several decades now and by several states, including Wyoming, for most of their guidelines' reviews. For Lewin/ICF's initial assessment, they used the Rothbarth and Engel measurements developed by Betson in his 1990 study as the lowest and highest, respectively. Not only were the empirical results from these studies the lowest and highest, but the application of the economic model of each of the estimators suggests that the Rothbarth estimator understates actual child-rearing expenditures, and the Engel estimator overstates actual child-rearing expenditures. Since there are no current Engel measurements of child-rearing expenditures, states have been using the U.S. Department of Agriculture (USDA) measurements as the highest of the credible measurements. The USDA measurements are discussed later in this section.

New Betson-Rothbarth Study

The most recent BR study (BR5) is an update to the BR study underlying the current Wyoming tables. BR5 relies on expenditures data collected from families participating in the 2013–2019 CE survey, while BR4 relies on expenditures data collected from families participating in the 2004–2009 CE survey. Exhibit 25 shows that the percentage of total household expenditures devoted to child-rearing expenditures has increased from 23.5 to 24.9 percent for one child; from 36.5 to 38.4 percent for two children; and from 44.9 to 47.0 percent for three children.

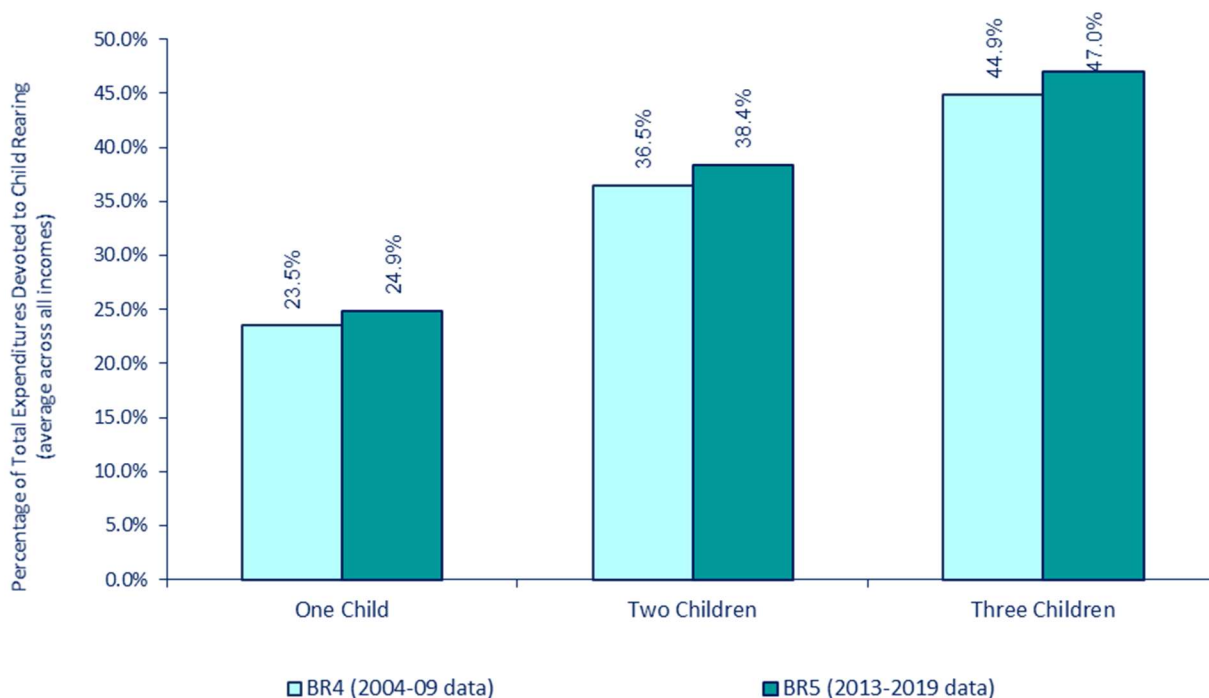
⁵⁹ Specifically, Betson uses adult clothes, whereas others applying the Rothbarth estimator use adult clothing, alcohol, and tobacco regardless of whether expenditures are made on these items. Betson (1990) conducted sensitivity analysis and found little difference in using the alternative definitions of adult goods.

⁶⁰ A layperson's description of how the Engel estimator overstates actual child-rearing expenditures is also provided in Lewin/ICF (1990) on p. 2-28.

⁶¹ A layperson's description of how the Rothbarth estimator overstates actual child-rearing expenditures is also provided in Lewin/ICF (1990) on p. 2-29.

⁶² National Center for State Courts (1987). *Development of Guidelines for Child Support Orders, Final Report*. Report to U.S. Department of Health and Human Services, Office of Child Support Enforcement, Williamsburg, VA. p. I-6.

Exhibit 25: Comparison of Findings from BR4 and BR5



There are not enough families with four or more children in the CE to produce reliable samples. (The methodology for extending the amounts for three children to four and five children is discussed later.) Exhibit 25 considers child-rearing expenditures as a percentage of total household expenditures because that is how the Rothbarth model, which is the economic model used to separate child-rearing expenditures from total expenditures, is specified. For the comparisons in Exhibit 26 and Exhibit 27, which considers how expenditures vary by net income range for one and two children, expenditures are converted to net income, which is the income basis of the Wyoming guidelines tables.

Besides differences in survey years, there were some improvements to the CE survey that may contribute to differences in the findings between the BR4 and BR5 studies. In all, changes to the BR measurements of child-rearing expenditures over time may reflect actual changes in how much families spend on their children, sampling differences in the different study years, changes in the underlying expenditures data used to develop the measurements, or a combination of these factors. In addition, changes in other factors considered in the conversion of the BR measurements to tables are of concern. Understanding the root of the changes is important to Wyoming because Wyoming's child support guidelines are currently based on the fourth BR study (BR4), and the updated tables in this report rely on the most current BR study (BR5).

For the comparisons in Exhibit 25, the percentages include child care expenses and the cost of the child's healthcare coverage. These items are subtracted later when developing the updated tables. They are subtracted because the actual amount expended for child care expenses and health insurance

premiums for the child and the child's unreimbursed medical expenses, if any, can be considered on a case-by-case basis. Exhibit 26 and Exhibit 27 compare the BR measurements over time by approximate income ranges for one and two children. The patterns for three children are similar. The income ranges are approximate in the comparisons because inflation does not make each unique income range comparable over time. There are also several adjustments made to make the comparison in Exhibit 26 and Exhibit 27. They do not consider child care expenses, health insurance premiums for the child, and the child's unreimbursed medical expenses. Further, they have been converted from total expenditures to after-tax (net) income. If a family spends all of their after-tax income, their expenditures will equal their after-tax income. Higher-income families, however, tend to save, make donations, and buy gifts for people outside the home. Due to these adjustments, the percentages shown in the exhibits are not comparable to those in Exhibit 25.

Exhibit 26: Comparisons of BR4 and BR5 for One Child over a Range of Incomes

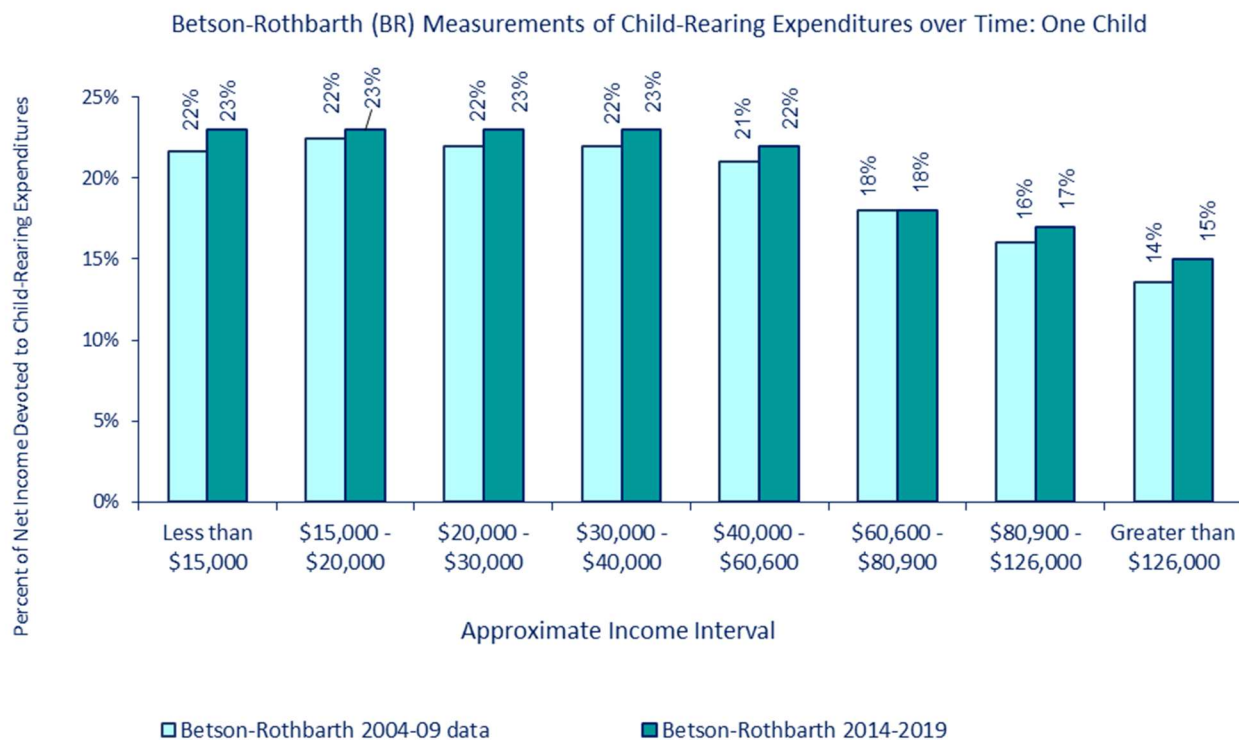
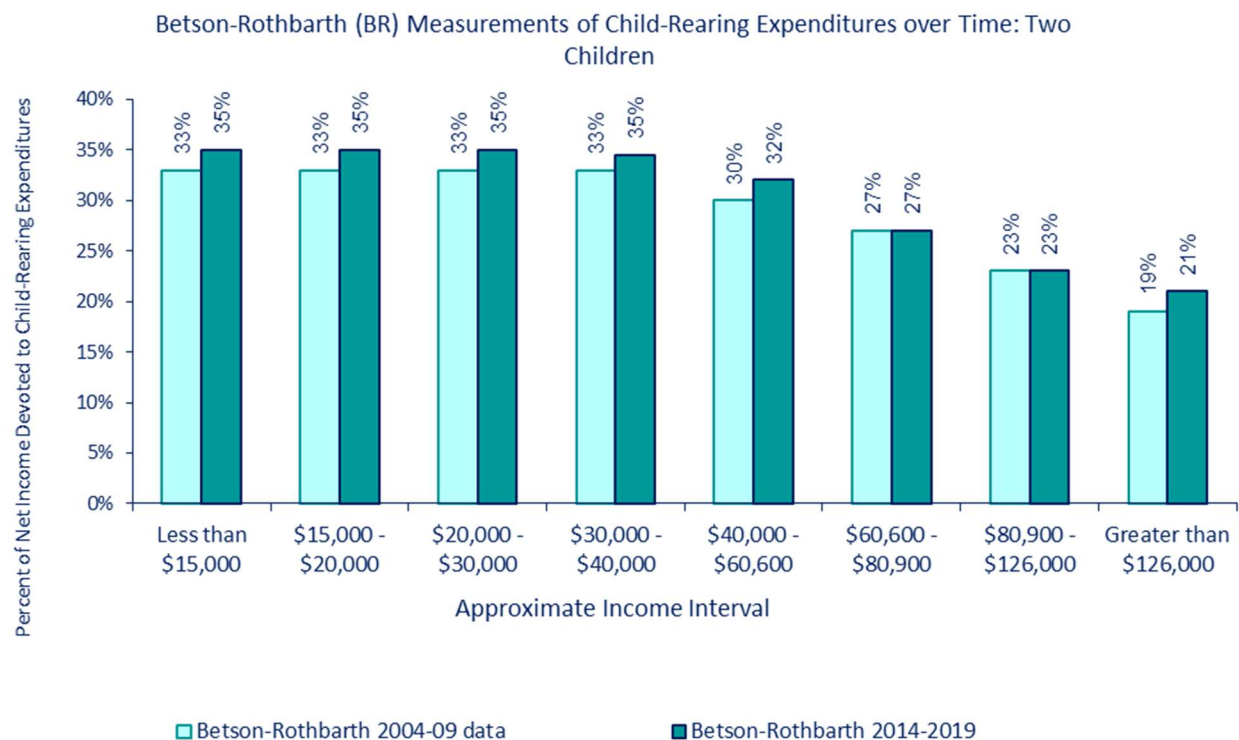


Exhibit 27: : Comparisons of BR4 and BR5 for Two Children over a Range of Incomes

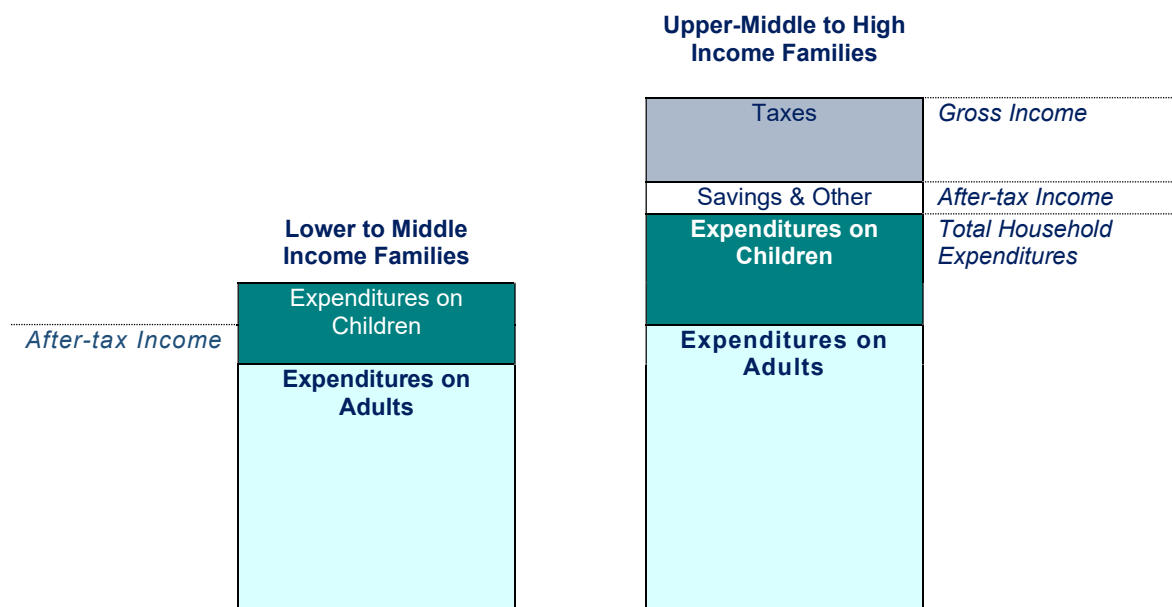


Underlying Causes of Changes between BR4 and BR5

Besides data years, the major change with the BR5 study was an improvement in how taxes were measured. In prior surveys, households would self-report taxes. The BLS learned that families underestimated taxes paid, particularly at high incomes; hence, their after-tax income (spendable income) was smaller than measured. Beginning in 2013, the BLS estimates taxes for households participating in the CE using demographic and income data from the household by applying the National Bureau of Economic Analysis TAXSIM program that calculates tax liabilities under U.S. federal and state income tax laws. The BLS estimation effectively reduced the measurement of after-tax income available for expenditures on average. The improvement also indirectly increased the average ratio of expenditures to after-tax income, which is used in the conversion of the measurement of child-rearing expenditures to child support tables. (The increase can be illustrated through Exhibit 28 by assuming a drop in the after-tax income line for the cluster of families to the right that have higher incomes.) In other words, the BLS improved measure of taxes indirectly decreased after-tax income; in turn, increased the percentage of after-tax income devoted to child-rearing expenditures from BR4 to BR5 particularly for high-income families because they pay a higher amount in taxes. Their after-tax income is less; hence, the ratio of expenditures to after-tax income is larger.

In addition, a small improvement to the child's share of healthcare expenses was made for BR5. It better reflects the child's share of the family's total out-of-pocket expenses, which results in nominal increases at very low incomes and nominal decreases at very high incomes. This nuance explains some of the changes seen in Exhibit 26 and Exhibit 27.

Exhibit 28: Relationship of Child-Rearing Expenditures to Gross Income



Other Studies on Child-Rearing Expenditures since Wyoming's Last Review

As mentioned earlier, besides BR5, three other studies have been conducted since Wyoming last reviewed its guidelines.

Rodgers-Rothbarth Measurements (2018)

One of the studies was conducted in 2017 by Professor William Rodgers of Rutgers University, for California, but was not adopted by California or any other state as the basis of its guidelines.⁶³ Professor Rodgers also used the Rothbarth methodology to separate the child's share of expenditures from total household expenditures. The Rodgers-Rothbarth measurements rely on the 2000–2015 CE. Rodgers found that the average percentage of total expenditures devoted to child rearing is 19.2 percent for one child and 24.1 percent for two children. By contrast, other studies typically find that the expenditures for two children are about 40 to 60 percent more than they are for one child. Although Rodgers interpreted Rothbarth differently than Betson, Rodgers also attempted to replicate Betson's fourth study. His replication resulted within about two percentage points of Betson's measurements.

Rodgers's measurements relied on expenditures data from families participating in the 2000–2015 CE. One reason he considered a larger time period was to average out the expenditures patterns since there were some anomalous patterns associated with the Great Recession of 2007–2009 and its aftermath. Rodgers concluded there were some actual dollar declines in outlays on children in recent years. California did not change its child support formula based on the Rodgers 2018 study. No state uses

⁶³ Rodgers, William M. (2017) "Comparative Economic Analysis of Current Economic Research on Child-Rearing Expenditures." In Judicial Council of California, Review of Statewide Uniform Child Support Guideline 2017. San Francisco, CA. Retrieved from <http://www.courts.ca.gov/documents/lr-2018-JC-review-of-statewide-CS-guideline-2017-Fam-4054a.pdf>.

Rodgers most current measurements. However, New Jersey uses earlier Rothbarth measurements that Rodgers developed specifically for New Jersey that considered New Jersey's above average incomes.

Besides differences in data years, there are many differences between Betson's approach and Rodgers's approach that may explain the differences in their results.⁶⁴ One major difference is their application of Rothbarth's theory.⁶⁵ Rothbarth asked the question, "How much additional income does a family of given size require to compensate it for the costs of an additional child?" In answering the question, Rothbarth speculated that the answer would depend on the standard of living of the parents. Further, if the answer depended on the standard of living of the parents that the parents' tastes were unaffected by the presence of additional children. Both Betson and Rodgers perceive this as indirectly estimating child-rearing expenditures from an observed level of expenditures on adult goods through principles of economic theory on consumption. Rodgers adopts Lazear and Michael's approach, which is maximizing utility given a budget constraint on expenditures on either adult goods or children goods.⁶⁶ In contrast, Betson relies on classical economic theory of consumer surplus and compensated demand, while assuming expenditures on adult goods (*i.e.*, the amount expended on adult clothing) is a normal good: that is, the demand for a normal good increases if income increases or the price of that good goes down.⁶⁷ Their difference in theory application creates differences in their estimating equations and methods. Rodgers uses a two-step approach where the first step is estimating the ratio of total expenditures on adults to observed expenditures on adults based on demographic variables and income.⁶⁸ The second step is estimating total expenditures among families with children based on the ratio from the first estimating equation and other demographic characteristics.⁶⁹ In contrast, Betson's theoretical approach does not require a two-step approach. Instead, Betson estimates how expenditures on adult goods vary with family size (that vary with the presence and number children), demographic characteristics, and total expenditures. Even when Rodgers attempts to replicate Betson, there are differences. For example, Betson and Rodgers use different functional forms to specify their estimating equation (*e.g.*, Betson uses a quadratic equation and Rodgers does not). The quadratic functional form allows the percentage of expenditures to vary as the parents' incomes increase.

⁶⁴ Appendix A provides a more thorough discussion of the technical differences between the Betson and Rodgers measurements.

⁶⁵ Rothbarth, Erwin. (1943.) "Note on a Method of Determining Equivalent Income for Families of Different Composition." *In War Time Patterns of Savings and Spending*. Edited by Charles Madge, Cambridge, Cambridge University Press. Appendix 4.

⁶⁶ See pages 97–100 of Rodgers (2017) for the best description of Rodgers, as well as pp. 62–72 of Lazear and Michael (1988).

⁶⁷ Consumer surplus and compensated demand are typically analyzed in consumer economics through use of the "Engel" curve. It is not to be confused with the Engel methodology for measuring child-rearing expenditures, although the same economists developed them. The Engel curve is an alternative way to look at demand for a particular economic good. The ordinary demand curve examines the relationship between quantity demanded of an economic good and the price of that economic good holding income constant. The classic use of the Engel curve examines the relationship between quantity demanded of an economic good and income holding price of that economic good constant. Betson's application of the Engel curve uses total expenditures rather than income.

⁶⁸ Rodgers, William M. (2017). "Comparative Economic Analysis of Current Economic Research on Child-Rearing Expenditures." *In* Judicial Council of California, *Review of Statewide Uniform Child Support Guideline 2017*. San Francisco, CA. pp. 66 and 99. Retrieved from <http://www.courts.ca.gov/documents/lr-2018-JC-review-of-statewide-CS-guideline-2017-Fam-4054a.pdf>.

⁶⁹ See Edward P. Lazear and Robert T. Michael (1988). *Allocation of Income Within the Household*. University of Chicago Press, Chicago, Illinois. Equation 5.5 on p. 80.

Comanor, et al. (2015)

Another study published in 2015 was led by Professor William Comanor of the University of California at Santa Barbara. It was not funded by any state and does not form the basis of any state guidelines.⁷⁰ Professor Comanor developed his own methodology for measuring child-rearing expenditures. Comanor's measurements rely on the 2004–2009 CE. In 2018, Comanor reported that child-rearing costs of \$3,421 per year for one child and \$4,291 per year for two children in low-income households.⁷¹ For middle incomes (*i.e.*, married couples with an average income of \$76,207 per year), Comanor reported child-rearing costs of \$4,749 per year for one child and \$6,633 per year for two children. The amounts for low-income households are below poverty guidelines, and the amounts for middle incomes are just above poverty guidelines. The 2021 federal poverty guidelines were \$12,880 per year for one person and an additional \$4,540 per year for each additional person.⁷²

USDA (2017)

The third study, which was updated every one to two years until its last publication in 2017, is by the U.S. Department of Agriculture (USDA).⁷³ The USDA also has its own methodology for measuring child-rearing expenditures. The most current USDA study considers child-rearing expenditures in 2015. The USDA first measures expenditures for seven different categories (*i.e.*, housing, food, transportation, clothing, healthcare, childcare and education, and miscellaneous), then sums them to arrive at a total measurement of child-rearing expenditures. Some of the methodologies use a pro rata approach, which is believed to overstate child-rearing expenditures. Minnesota relies on an older version of USDA study, Kansas partially uses it, and Maryland will begin to partially use it in 2022. Maryland will use the USDA study for combined adjusted gross incomes above about \$10,000 per month. Kansas uses the USDA multipliers for more children to adjust its findings from a study by Wichita State University economists using a unique approach that is only used in Kansas. USDA measurements rely on the 2011–2015 CE, as well as other data, including the U.S. Department of Health and Human Services National Medical Expenditure Survey (MEPS)⁷⁴ and the cost of USDA food plans.⁷⁵ They are used to determine SNAP (Supplemental Nutrition Assistance Program) benefits and military per diem rates.⁷⁶ The USDA found that average child-rearing expenses were \$9,970 to \$24,150 per year for the youngest child in a two-

⁷⁰ Comanor, William, Sarro, Mark, and Rogers, Mark. (2015). "The Monetary Cost of Raising Children." In (ed.) Economic and Legal Issues in Competition, Intellectual Property, Bankruptcy, and the Cost of Raising Children (Research in Law and Economics), Vol. 27). Emerald Group Publishing Limited, pp. 209–51.

⁷¹ Comanor, William. (Nov. 8, 2018). *Presentation to Nebraska Child Support Advisory Commission*. Lincoln, NE.

⁷² U.S. Department of Health and Human Services. (2021). *2021 Poverty Guidelines for the 48 Contiguous States and the District of Columbia*. Retrieved from <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines/prior-hhs-poverty-guidelines-federal-register-references/2021-poverty-guidelines>.

⁷³ Lino, Mark. (2017). *Expenditures on Children by Families: 2015 Annual Report*. U.S. Department of Agriculture, Center for Nutrition and Policy Promotion. Miscellaneous Publication No. 1528-2015, Washington, D.C. Retrieved from <http://www.cnpp.usda.gov/publications/crc/crc2012.pdf>.

⁷⁴ More information about the MEPS is available from the U.S. Department of Health and Human Services Agency for Healthcare Research and Quality site: <https://www.meps.ahrq.gov/mepsweb/>.

⁷⁵ More information about the UDA Food Plans and their costs can be found at the U.S. Department of Agriculture Food and Nutrition Service website: <https://www.fns.usda.gov/cnpp/usda-food-plans-cost-food-reports-monthly-reports>.

⁷⁶ William T. Terrell and Jodi Messer Pelkowski. (2010). *XII. Determining the 2010 Child Support Schedules*. Retrieved from <http://www.kscourts.org/Rules-procedures-forms/Child-Support-Guidelines/PDF/Child%20Support%20Determination%20Economist%20FINAL%20REPORT.pdf>.

child family living in the Urban West in 2015. The amount varies by the age of the child and household income. For rural areas, the amount varied from \$7,650 to \$17,000 per year for the youngest child in a two-child family in 2015.

Graphical Comparisons of Economic Studies and Existing Tables

Exhibit 29 and Exhibit 30 compare the existing Wyoming tables to studies of child-rearing expenditures conducted since Wyoming guideline was last reviewed in 2016. Differences in the studies result from differences in study years, underlying year of the expenditures data (which comes from the CE that was discussed earlier), and the different methodologies used to separate child-rearing expenditures from total expenditures. As mentioned earlier, the BR5 study is the most current of all of the studies. Changes in price level over time contribute to BR5 being higher than most studies somewhat but is not the only reason. As mentioned earlier, the Comanor measurements are the lowest because he estimates child-rearing expenditures to be near poverty levels even for middle-income families. The Rodgers measurements are also lower. Some of the difference may be explained by Rodgers examining a longer time period than Betson. Still others may attributed to differences in model specification that were explained earlier.

Theoretically, the USDA should be the highest of all of the measurements due to its methodology that is likely to overstate actual child-rearing costs. The USDA is higher than the other measurements except for the one-child amounts at combined incomes exceeding about \$9,500 net per month. Above this point, the BR5 produces a higher amount. This is likely because of differences in the study years and underlying data. There is about a four year gap between the studies.

Exhibit 29 and Exhibit 30 also illustrate large differences between the existing tables and BR5 amounts. At lower and middle incomes, this is largely driven by recent changes in price levels. At higher incomes, this likely reflects actual changes in consumption and improvement to how after-tax income is measured in the CE.

Exhibit 29: Comparisons of Economic Studies and Existing Guidelines: One Child

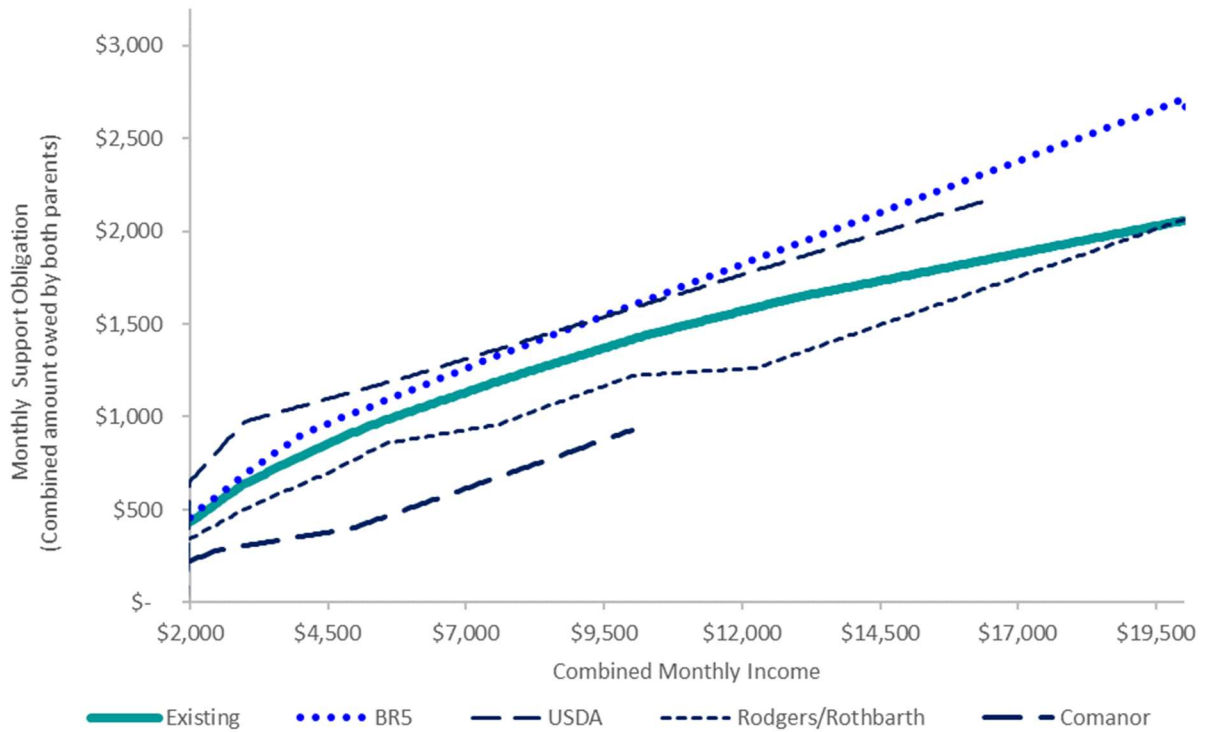
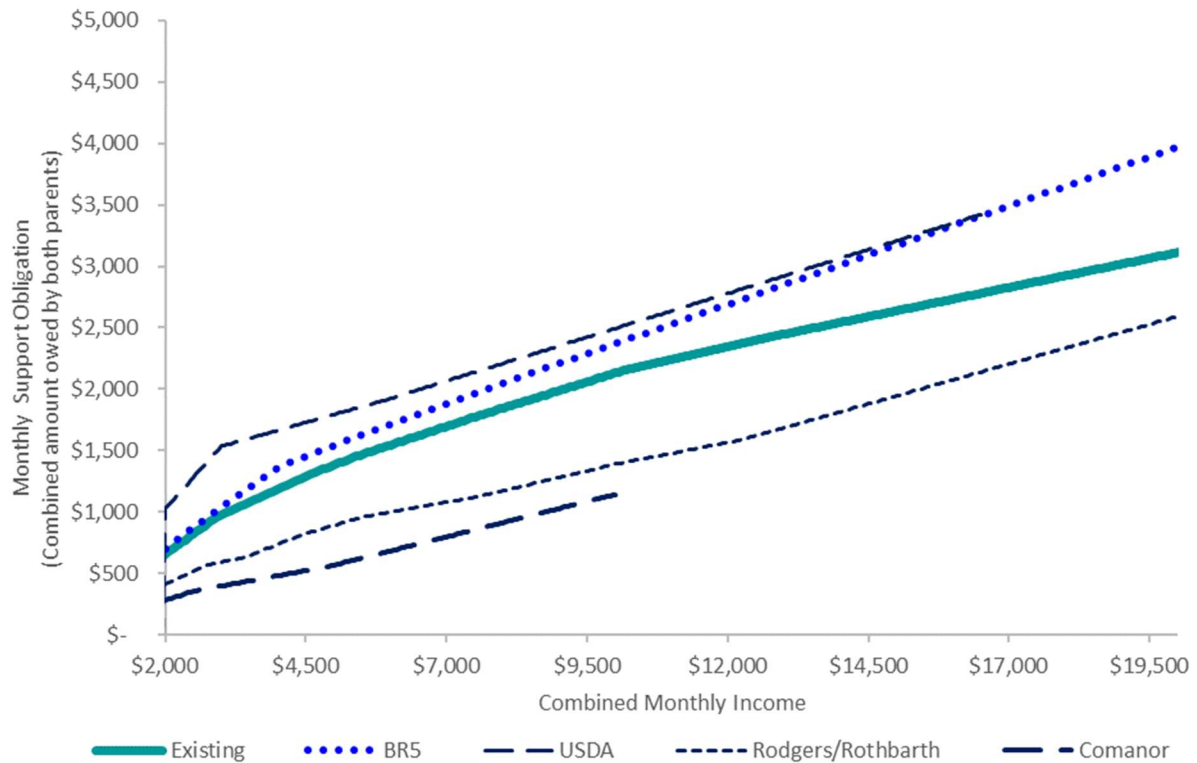


Exhibit 30: Comparisons of Economic Studies and Existing Guidelines: Two Children



As mentioned earlier, child support tables are part policy and part economic data. Besides economic data on the cost of raising children, there are economic data and technical assumptions pertaining to price levels, expenditures to net income ratios, and other items.

Major Data Sources and Assumptions underlying Existing Tables

There are several data sources and assumptions underlying the existing tables.

1. The Wyoming child support tables rely on the income shares guidelines model.
2. The existing table relies on the fourth Betson-Rothbarth study of child-rearing expenditures (BR4).
3. The BR3 measurements were updated to October 2012 price levels to develop the existing tables
4. Child-rearing expenses that are or may be considered on a case-by-case basis were excluded from the BR4 measurements in the conversion to the existing child support tables. The excluded expenses were child care expenses, the child's health insurance premium, and the child's extraordinary, unreimbursed medical expenses.
5. The BR measurements are converted from a total-expenditures base to a net-income base by using the average expenditures to net-income ratios calculated from the same families in the CE data that Betson used to measure child-rearing expenditures.

Discussion of Individual Factors for Consideration of Updating the Tables

Factor 1: Guidelines Model

The guidelines model is a policy decision. The most common principle used for state guidelines models is what University of Wisconsin researchers call the “continuity of expenditures model”— that is, the child support award should allow the children to benefit from the same level of expenditures had the children and both parents lived together.⁷⁷ In the income shares guidelines model — which is used by 41 states, including Wyoming — the obligated parent's prorated share of that amount forms the basis of the guidelines-determined amount. In most of the seven states that use the percentage-of-obligor income guidelines model, it is often presumed that the custodial parent contributes an equal dollar amount or percentage of income to child-rearing expenditures.

Besides the income shares guidelines model and the percentage-of-obligor income guidelines model, three states (*i.e.*, Delaware, Hawaii, and Montana) use the Melson formula, which is a hybrid of the income shares approach and the percentage-of-obligor income guidelines. Each of these states prorates a basic level of support to meet the primary needs of the child; then, if the obligated parent has any income remaining after meeting his or her share of the child's primary support, his or her own basic

⁷⁷ Ingrid Rothe and Lawrence Berger. (Apr. 2007). “Estimating the Costs of Children: Theoretical Considerations Related to Transitions to Adulthood and the Valuation of Parental Time for Developing Child Support Guidelines.” *IRP Working Paper*, University of Wisconsin: Institute for Research on Poverty, Madison, WI.

needs, and payroll taxes, an additional percentage of his or her income is added to his or her share of the child's primary support.

Research finds that other factors (*e.g.*, economic basis, whether the schedule or table has been updated for changes in price levels, and adjustments for low-income parents) affect state differences in guidelines more than the guidelines model.⁷⁸ Two states (Illinois and Arkansas) have switched to the income shares guidelines in recent years. The Illinois committee reviewing the guidelines recommended switching to income shares in 2010, and it became effective in 2017. Arkansas began using income shares in 2020 and took less time to make the change. Other states that have switched to income shares in the last two decades (*i.e.*, District of Columbia, Georgia, Massachusetts, Minnesota, and Tennessee) have typically taken several years. The process can be protracted because of the time necessary to draft changes, obtain public input, and move through the legislative process. In addition, time is needed to draft new agency rules and develop and test automated guidelines calculators. All states that have changed guidelines models in the last two decades have switched to income shares.

Besides the guidelines models in use, there are several other guidelines models not in use. In general, there is no overwhelming reason for Wyoming to consider switching guidelines models.

Factor 2: Economic Study

As described earlier, there are several measurements of child-rearing expenditures that form the basis of state guidelines. The newest Betson-Rothbarth (BR5) clearly emerges as the most appropriate study to use for updating the Wyoming tables. Its underlying data is more current than that of any other study. It also essentially uses the same methodology and assumption as the basis of the existing tables, which is an earlier Betson-Rothbarth study. The only change in the methodology concerns the underlying data: the BLS improved how it measures after-tax income.

Factor 3: Adjust to Current Price Levels

The existing tables are based on price levels from April 2012. The proposed tables consider August 2021 prices, which was the most recent month available. Prices have increased by 18.9 percent between the two time periods. This does not mean an 18.9 percent increase in the table amounts, but as discussed later it still produces a significant increase.

Factor 4: Exclude Child Care Expenses and Out-of-Pocket Healthcare Costs

The measurements of child-rearing expenditures cover *all* child-rearing expenditures, including child care expenses and the out-of-pocket healthcare expenses for the child. This includes out-of-pocket insurance premium on behalf of the child and out-of-pocket extraordinary, unreimbursed medical expenses such as deductibles. These expenses are widely variable among cases (*e.g.*, child care expenses for an infant are high, and there is no need for child care for a teenager). Instead of putting them in the tables, the actual amount of the expense are or can be addressed on a case-by-case basis within the guidelines. To avoid double-accounting in the tables, these expenses are subtracted from the

⁷⁸ Venohr, J. (Apr. 2017). Differences in State Child Support Guidelines Amounts: Guidelines Models, Economic Basis, and Other Issues. *Journal of the American Academy of Matrimonial Lawyers*.

measurements when developing the existing and updated tables. Appendix A provides the technical details on how this is done.

Inclusion of \$250 per Child per Year for Out-of-Pocket Medical Expenses

However, there is an exception to excluding the child's medical expenses. An amount to cover ordinary out-of-pocket healthcare expenses (*e.g.*, aspirin and copays for well visits) was retained in both the existing and updated tables. The current tables assume up to \$250 per child per year for ordinary out-of-pocket healthcare expenses based on data. That assumption is retained for the proposed, updated tables because the average is still near \$250 per child per year. The concern, however, is the amount varies significantly among those with Medicaid and those with private insurance, particularly with high deductibles. The 2015 Medical Expenditure Panel Survey (MEPS) finds that the average out-of-pocket medical expense per child was \$248 per year but varied depending on whether the child was enrolled in public insurance such as Medicaid or had private insurance. Based on MEPS data, out-of-pocket medical expenses averaged \$63 per child per year for children who had public insurance and \$388 per child per year for those with private insurance.⁷⁹ The 2017 MEPS data, which is the most current available, has not drilled down to the public insurance and private insurance level, but they do report an average for all children, \$271 per child, which is close to the \$250 level.

Some states are responding to the disparity in out-of-pocket expenses between those with public insurance and those with private insurance in two ways. One way is to include *no* ordinary out-of-pocket medical expenses (*e.g.*, Connecticut and Virginia) in the tables. This would reduce the table amounts. This means parents must share receipts for *all* out-of-pocket medical expenses, not just those exceeding \$250 per child per year. The major pro of this approach is it more accurate. The major cons are that it requires more information sharing and coordination between the parties, and the burden falls on the parent incurring the expense. The parent incurring the expense must save receipts, notify the other parent, and initiate an enforcement action if the other party fails to pay his or her share. In addition to including no ordinary out-of-pocket medical expenses in the tables, Michigan and Ohio take the method one step further. Not only do they exclude all healthcare expenses from the table, but they provide a standardized amount of out-of-pocket medical expenses that is added in the worksheet as a line item similar to the add-on for child care expenses. That amount can vary depending on whether the insurance is private insurance or Medicaid enrollment.

Exhibit 31 illustrates how this works in Ohio, which uses annual income rather than monthly income. The pros to this approach are that it can better address the out-of-pocket healthcare expenses and does not require a change in the tables to update the standardized amount for out-of-pocket medical expenses. The cons are that it makes the calculation more cumbersome and requires knowledge of whether the children are enrolled in Medicaid (which may change frequently).

⁷⁹ U.S. Department of Health & Human Services Agency for Healthcare Research and Quality. (n.d.). *Medical Expenditure Panel Survey*. Retrieved from https://www.meps.ahrq.gov/mepsweb/data_stats/meps_query.jsp.

Although there are some concerns about the treatment of healthcare expenses, no alternative has emerged as clearly superior and more appropriate than the current approach for addressing the child's healthcare expenses.

Exhibit 31: Illustration of Ohio's Alternative Approach to Out-of-Pocket Medical Expenses

Worksheet Calculation			
	Parent A	Parent B	Combined
1. Annual Income	\$40,000.00	\$40,000.00	\$80,000.00
2. Share of Income	50%	50%	
3. Table Amount (Annual)			\$20,000.00
4. Annual Cash Medical			\$388.70
5. Total Obligation			\$20,388.70
6. Each Parent's Share (Line 2 x Line 5)	\$10,194.35	\$10,194.35	

Cash Medical Obligation	
Number of Children	Annual Cash Medical Amount
1	\$388.70
2	\$777.40
3	\$1,166.10
4	\$1,554.80
5	\$1,943.50
6	\$2,332.20

Factor 5: Conversion of Expenditures to Net Income

The need for this conversion is illustrated by Exhibit 28 on page 43. As stated earlier, Betson reports the measurements of child-rearing expenditures as a percentage of total expenditures. Thus, they must be converted from a percentage of total expenditures to a net-income basis because the tables relate to net income. The conversion for the existing tables were done by taking the expenditures-to-income ratio for the same subset of CE families used to develop the measurements. These ratios are shown in Appendix A, as well as an example of how the conversion is made, which is how most states using the BR measurements make the conversion. The only notable exception is that the District of Columbia assumes that all after-tax income is spent, and hence, makes no adjustment. (This results in larger table amounts that become progressively larger as income increases.) There is no compelling reason to change the conversion method from the existing tables for the proposed tables.

EXISTING TABLES

(i) One (1) child:		
Net Monthly Income of Both Parents	Percentage of Income Allocated For One Child	Base Support Plus Marginal Percentage
\$ 846.00	22.0	\$186.00 + 21.3% over \$846.00
\$2,961.00	21.5	\$637.00 + 14.3% over \$2,961.00
\$4,652.00	18.9	\$879.00 + 11.8% over \$4,652.00
\$5,498.00	17.8	\$979.00 + 10.2% over \$5,498.00
\$7,613.00	15.7	\$1,195.00 + 9.3% over \$7,613.00
\$10,151.00	14.1	\$1,431.00 + 7.5% over \$10,151.00
\$12,900.00	12.7	\$1,638.00 + 5.9% of anything over \$12,900.00

(ii) Two (2) children:		
Net Monthly Income of Both Parents	Percentage of Income Allocated For Two Children	Base Support Plus Marginal Percentage
\$ 846.00	32.9	\$278.00 + 32.8% over \$846.00
\$2,961.00	32.8	\$971.00 + 20.7% over \$2,961.00
\$4,652.00	28.4	\$1,321.00 + 17.4% over \$4,652.00
\$5,498.00	26.7	\$1,468.00 + 15.2% over \$5,498.00
\$7,613.00	23.5	\$1,789.00 + 14.3% over \$7,613.00
\$10,151.00	21.2	\$2,152.00 + 10.4% over \$10,151.00
\$12,900.00	18.9	\$2,438.00 + 9.5% of anything over \$12,900.00

(iii) Three (3) children:		
Net Monthly Income of Both Parents	Percentage of Income Allocated For Three Children	Base Support Plus Marginal Percentage
\$ 846.00	40.2	\$340.00 + 39.4% over \$846.00
\$2,961.00	39.6	\$1,173.00 + 23.9% over \$2,961.00
\$4,652.00	33.9	\$1,577.00 + 20.9% over \$4,652.00
\$5,498.00	31.9	\$1,754.00 + 17.9% over \$5,498.00
\$7,613.00	28.0	\$2,132.00 + 16.8% over \$7,613.00
\$10,151.00	25.2	\$2,558.00 + 11.6% over \$10,151.00
\$12,900.00	22.3	\$2,877.00 + 11.6% of anything over \$12,900.00

(iv) Four (4) children:		
Net Monthly Income of Both Parents	Percentage of Income Allocated For Four Children	Base Support Plus Marginal Percentage
\$ 846.00	44.9	\$380.00 + 43.9% over \$846.00
\$2,961.00	44.2	\$1,309.00 + 26.8% over \$2,961.00
\$4,652.00	37.9	\$1,763.00 + 22.9% over \$4,652.00
\$5,498.00	35.6	\$1,957.00 + 20.1% over \$5,498.00
\$7,613.00	31.3	\$2,383.00 + 18.5% over \$7,613.00
\$10,151.00	28.1	\$2,852.00 + 13.1% over \$10,151.00
\$12,900.00	24.9	\$3,212.00 + 13.0 % of anything over \$12,900.00

(v) Five (5) or more children:		
Net Monthly Income of Both Parents	Percentage of Income Allocated For Five Children	Base Support Plus Marginal Percentage
\$ 846.00	49.4	\$418.00 + 48.3% over \$846.00
\$2,961.00	48.6	\$1,439.00 + 29.6% over \$2,961.00
\$4,652.00	41.7	\$1,940.00 + 24.8% over \$4,652.00
\$5,498.00	39.1	\$2,150.00 + 22.2% over \$5,498.00
\$7,613.00	34.4	\$2,619.00 + 20.4% over \$7,613.00
\$10,151.00	30.9	\$3,137.00 + 14.5% over \$10,151.00
\$12,900.00	27.4	\$3,535.00 + 14.3% of anything over \$12,900.00

PROPOSED UPDATED TABLES

The proposed Wyoming updated tables start at combined net income of \$1,000 per month. The 2021 federal poverty guidelines (FPG) for one person is \$1,071 per month. It is the self-support reserve for Wyoming. As a consequence the tables do not have to provide for incomes less than the self-support reserve.

(i) One (1) child:		
Net Monthly Income of Both Parents	Percentage of Income Allocated For One Child	Base Support Plus Marginal Percentage
\$1,000.00	23.0	\$230.00 + 23.0% over \$1,000.00
\$2,000.00	23.0	\$461.00 + 23.0% over \$2,000.00
\$3,200.00	23.0	\$737.00 + 20.1% over \$3,200.00
\$4,000.00	22.5	\$898.00 + 13.4% over \$4,000.00
\$4,500.00	21.4	\$965.00 + 11.8% over \$4,500.00
\$8,000.00	17.2	\$1,379.00 + 11.1% over \$8,000.00
\$15,000.00	14.4	\$2,157.00 + 10.3% over \$15,000.00

(ii) Two (2) children:		
Net Monthly Income of Both Parents	Percentage of Income Allocated For Two Children	Base Support Plus Marginal Percentage
\$1,000.00	35.1	\$351.00 + 35.1% over \$1,000.00
\$2,000.00	35.1	\$702.00 + 33.9% over \$2,000.00
\$3,200.00	34.6	\$1,108.00 + 31.0% over \$3,200.00
\$4,000.00	33.9	\$1,356.00 + 19.6% over \$4,000.00
\$4,500.00	32.3	\$1,454.00 + 17.0% over \$4,500.00
\$8,000.00	25.6	\$2,048.00 + 16.0% over \$8,000.00
\$15,000.00	21.1	\$3,171.00 + 15.3% over \$15,000.00

(iii) Three (3) children:		
Net Monthly Income of Both Parents	Percentage of Income Allocated For Three Children	Base Support Plus Marginal Percentage
\$1,000.00	42.4	\$424.00 + 42.4% over \$1,000.00
\$2,000.00	42.4	\$848.00 + 40.4% over \$2,000.00
\$3,200.00	41.7	\$1,334.00 + 36.5% over \$3,200.00
\$4,000.00	40.6	\$1,626.00 + 22.8% over \$4,000.00
\$4,500.00	38.7	\$1,740.00 + 19.2% over \$4,500.00
\$8,000.00	30.2	\$2,412.00 + 18.4% over \$8,000.00
\$15,000.00	24.7	\$3,698.00 + 18.1% over \$15,000.00

(iv) Four (4) children:		
Net Monthly Income of Both Parents	Percentage of Income Allocated For Four Children	Base Support Plus Marginal Percentage
\$1,000.00	47.4	\$474.00 + 47.4% over \$1,000.00
\$2,000.00	47.4	\$948.00 + 45.2% over \$2,000.00
\$3,200.00	46.6	\$1,490.00 + 40.8% over \$3,200.00
\$4,000.00	45.4	\$1,816.00 + 25.5% over \$4,000.00
\$4,500.00	43.2	\$1,943.00 + 21.5% over \$4,500.00
\$8,000.00	33.7	\$2,694.00 + 20.5% over \$8,000.00
\$15,000.00	27.5	\$4,130.00 + 20.2% over \$15,000.00

(v) Five (5) or more children:		
Net Monthly Income of Both Parents	Percentage of Income Allocated For Five Children	Base Support Plus Marginal Percentage
\$1,000.00	52.1	\$521.00 + 52.1% over \$1,000.00
\$2,000.00	52.1	\$1,042.00 + 49.7% over \$2,000.00
\$3,200.00	51.2	\$1,639.00 + 44.8% over \$3,200.00
\$4,000.00	49.9	\$1,997.00 + 28.0% over \$4,000.00
\$4,500.00	47.5	\$2,137.00 + 23.6% over \$4,500.00
\$8,000.00	37.0	\$2,964.00 + 22.6% over \$8,000.00
\$15,000.00	30.3	\$4,543.00 + 22.2% over \$15,000.00

SECTION 4: COMPLYING WITH OTHER FEDERAL REQUIREMENTS

As shown in Exhibit 32, Wyoming clearly meets the new federal requirement to consider the basic subsistence needs of the noncustodial parent. Although the spirit of Wyoming's income imputation is consistent with the federal requirement, it may benefit from using the federal language on income imputation. The Wyoming guidelines currently do not explicitly address incarcerated parents, although Wyoming's practice is consistent with the desired outcome of the federal requirement. Still, Wyoming may demonstrate compliance by explicitly adapting the federal language on not presuming voluntary unemployment among incarcerated parents.

Exhibit 32: Side-by-Side Comparison of New Federal Requirements and Relevant Wyoming Provisions

Federal Requirement (45 C.F.R)	Wyoming Provision
§ 302.56(c)(1)(ii) Takes into consideration the basic subsistence needs of the noncustodial parent (and at the State's discretion, the custodial parent and children) who has a limited ability to pay by incorporating a low-income adjustment, such as a self-support reserve or some other method determined by the State	W.S. 20-2-304 (f) If the difference between the obligor's net income and the self-support reserve is less than the support obligation as calculated from the tables in subsection (a) of this section, the support obligation shall be set using the difference between the obligor's net income and the self-support reserve. As used in this subsection "self-support reserve" means the current poverty line for one (1) person as specified by the poverty guidelines updated periodically in the Federal Register by the United States department of health and human services under the authority of 42 U.S.C. 9902(2).
§ 302.56(c)(1)(iii) If imputation of income is authorized, takes into consideration the specific circumstances of the noncustodial parent (and at the State's discretion, the custodial parent) to the extent known, including such factors as the noncustodial parent's assets, residence, employment and earnings history, job skills, educational attainment, literacy, age, health, criminal record and other employment barriers, and record of seeking work, as well as the local job market, the availability of employers willing to hire the noncustodial parent, prevailing earnings level in the local community, and other relevant background factors in the case	<p>20-2-303. Definitions</p> <p>ii) "Income" means any form of payment or return in money or in kind to an individual, regardless of source. Income includes, but is not limited to wages, earnings, salary, commission, compensation as an independent contractor, temporary total disability, permanent partial disability and permanent total disability worker's compensation payments, unemployment compensation, disability, annuity and retirement benefits, and any other payments made by any payor, but shall not include any earnings derived from overtime work unless the court, after considering all overtime earnings derived in the preceding twenty-four (24) month period, determines the overtime earnings can reasonably be expected to continue on a consistent basis. In determining income, all reasonable unreimbursed legitimate business expenses shall be deducted. Means tested sources of income such as Pell grants, aid under the personal opportunities with employment responsibilities (POWER) program, supplemental nutrition assistance program and supplemental security income (SSI) shall not be considered as income. Gross income also means potential income of parents who are voluntarily unemployed or underemployed; (iii) "Net income" means income as defined in paragraph (ii) of this subsection less personal income taxes, social security deductions, cost of dependent health care coverage for all dependent children, actual payments being made under preexisting support orders for current support of other children, other court-ordered support obligations currently being paid and mandatory pension deductions. Payments towards child support arrearage shall not be deducted to arrive at net income;</p> <p>20-2-307. Presumptive child support to be followed; deviations by court.</p> <p>(b) A court may deviate from the presumptive child support established by W.S. 20-2-304 upon a specific finding that the application of the presumptive child support would be unjust or inappropriate in that particular case. In any case where the court has deviated from the</p>

Federal Requirement (45 C.F.R)	Wyoming Provision
	<p>presumptive child support, the reasons therefor shall be specifically set forth fully in the order or decree. In determining whether to deviate from the presumptive child support established by W.S. 20-2-304, the court shall consider the following factors:</p> <p>...</p> <p>(xi) Whether either parent is voluntarily unemployed or underemployed. In such case the child support shall be computed based upon the potential earning capacity (imputed income) of the unemployed or underemployed parent. In making that determination the court shall consider:</p> <p>(A) Prior employment experience and history;</p> <p>(B) Educational level and whether additional education would make the parent more self-sufficient or significantly increase the parent's income;</p> <p>(C) The presence of children of the marriage in the parent's home and its impact on the earnings of that parent;</p> <p>(D) Availability of employment for which the parent is qualified;</p> <p>(E) Prevailing wage rates in the local area;</p> <p>(F) Special skills or training; and</p> <p>(G) Whether the parent is realistically able to earn imputed income.</p>
<p>§ 302.56(c)(3) Provide that incarceration may not be treated as voluntary unemployment in establishing or modifying support orders</p>	<p>Wyoming does not specifically mention incarceration in its guidelines.</p>
<p>§ 302.56(c)(1) Provide that the child support order is based on the noncustodial parent's earnings, income, and other evidence of ability to pay that:</p>	<p>20-2-308. Financial affidavits required; financial reporting.</p> <p>(a) No order establishing or modifying a child support obligation shall be entered unless financial affidavits on a form approved by the Wyoming supreme court which fully discloses the financial status of the parties have been filed, or the court has held a hearing and testimony has been received.</p> <p>(b) Financial affidavits of the parties shall be supported with documentation of both current and past earnings. Suitable documentation of current earnings includes but is not limited to pay stubs, employer statements, or receipts and expenses if self-employed. Documentation of current earnings shall be supplemented with copies of the most recent tax return to provide verification of earnings over a longer period.</p>

Exhibit 33 shows the provisions of neighboring states relating to income imputation and not treating incarceration as voluntary unemployment. Colorado, Nebraska, and Utah generally have adapted the federal language on income imputation verbatim. North Dakota and Montana also specifically mention the federal factors to be considered, but also provide for several other considerations. South Dakota is currently reviewing its guidelines. As part of its review, South Dakota is considering how to best meet the new federal requirements. Idaho just changed its guidelines as of July 1, 2021, but it did not appear to adapt changes to comply with the new federal requirements on income imputation. There is no mention of “incarceration” in the Idaho guidelines.

With regard to the treatment of incarcerated parents in other states, Exhibit 33 shows that most of the neighboring states have simply adapted the federal language as well as noting that incarceration must be of at least 180 days for the provision to apply. The 180-day threshold is consistent with another new requirement (that is shown at the end of Exhibit 3 that essentially requires agencies to provide notice of a right to request a review or facilitate a review upon learning that an obligated parent is incarcerated for 180 days or more). North Dakota and a few other states (*e.g.*, Louisiana, which is shown in Exhibit 33) suspend the order upon finding that the obligated parent is incarcerated for at least 180 days.

With regard to the federal provision requiring other evidence of ability to pay (45 C.F.R. § 302.56(c)(1)), the intent is to allow income information from automated sources available to a child support agency and other evidence such as oral testimony. The District of Columbia guidelines is one of the few states to mention both oral testimony and income data from automated sources. Both sources were mentioned in proposed federal rulemaking but were not mentioned in the final federal rule. Wyoming's existing statute already provides for income evidence from oral testimony.

Exhibit 33: Comparison of Income Imputation Provisions and Treatment of Incarcerated Parents in Selected States

State	Notes	Guidelines Provision
CO	Provisions essentially mirror federal requirement	<p>C.R.S. § 14-10-115(5)(c) Income statements of the parents shall be verified with documentation of both current and past earnings. Suitable documentation of current earnings includes pay stubs, employer statements, or receipts and expenses if self-employed. Documentation of current earnings shall be supplemented with copies of the most recent tax return to provide verification of earnings over a longer period. A copy of wage statements or other wage information obtained from the computer data base maintained by the department of labor and employment shall be admissible into evidence for purposes of determining income under this subsection (5).</p> <p>C.R.S. § 26-13.5-103(1)(h) ...in calculating the amount of monthly support obligation pursuant to the child support guidelines as set forth in section 14-10-115, C.R.S., the delegate child support enforcement unit shall set the monthly support obligation based upon reliable information concerning the parents' income, which may include wage statements or other wage information obtained from the department of labor and employment, tax records, and verified statements and other information provided by the parents and that, in the absence of any such information, the delegate child support enforcement unit may set the monthly support obligation based on the current minimum wage for a forty-hour workweek</p> <p>Potential income. If a parent is voluntarily unemployed or underemployed, child support shall be calculated based on a determination of potential income, except that a determination of potential income should not be made for a parent who is physically or mentally incapacitated or is caring for a child under the age of 24 months for whom the parents owe a joint legal responsibility, or for an incarcerated parent sentenced to one hundred eighty days or more. A parent is not deemed "underemployed" if their actual employment is temporary and is reasonably intended to result in higher income within the foreseeable future; or if their actual employment is a good faith career choice that is not intended to deprive a child of support and does not unreasonably reduce the support available to a child; or if the parent is enrolled fulltime in an educational or vocational program or is employed part-time while enrolled in a part-time educational or vocational program, based on the institution's enrollment definitions, and the program is reasonably intended to result in a degree or certification within a reasonable period of time; completing the program will result in a higher income; the program is a good faith career choice that is not intended to deprive the child of support; and the parent's participation in the program does not unreasonably reduce the amount of child support available to a child. In determining potential income, the court or delegate child support enforcement unit shall consider, to the extent known, the specific circumstances of the parent, including consideration of the following information, when available: the parent's assets; residence; employment and earnings history; job skills; educational attainment; literacy; age; health; criminal record; other employment barriers; record of seeking work; the local job market; the availability of employers hiring in the community; prevailing earnings level in the local community; and other relevant background factors in the case. Determination of potential income shall be made by determining employment potential and probable earnings level based on recent work history, occupational qualifications, and prevailing job opportunities and earnings levels in the community. If there is no recent</p>

		work history and no higher education or vocational training, it is suggested that income be set at least at the minimum wage level.
DC	DC provides for oral testimony and data from electronic sources	<p>§303.4 Establishment of support obligations.</p> <p>(b) Use appropriate State statutes, procedures, and legal processes in establishing and modifying support obligations in accordance with §302.56 of this chapter, which must include, at a minimum: (1) Taking reasonable steps to develop a sufficient factual basis for the support obligation, through such means as investigations, case conferencing, interviews with both parties, appear and disclose procedures, parent questionnaires, testimony, and electronic data sources; (2) Gathering information regarding the earnings and income of the noncustodial parent and, when earnings and income information is unavailable or insufficient in a case gathering available information about the specific circumstances of the noncustodial parent, including such factors as those listed under §302.56(c)(1)(iii) of this chapter; (3) Basing the support obligation or recommended support obligation amount on the earnings and income of the noncustodial parent whenever available. If evidence of earnings and income is unavailable or insufficient to use as the measure of the noncustodial parent's ability to pay, then the support obligation or recommended support obligation amount should be based on available information about the specific circumstances of the noncustodial parent, including such factors as those listed in §302.56(c)(1)(iii) of this chapter. (4) Documenting the factual basis for the support obligation or the recommended support obligation in the case record</p>
ID	Does not appear to have adopted conforming changes	<p>3) Potential Income. (A) Potential earned income. If a parent is voluntarily unemployed or underemployed, child support will be based on gross potential income, except that potential income should not be included for a parent that is physically or mentally incapacitated. A parent will not be deemed under-employed if gainfully employed on a full-time basis at the same or similar occupation in which he/she was employed for more than six months before the filing of the action or separation of the parents, whichever occurs first. On post-judgment motions, the six month period is calculated from the date the motion is filed. Ordinarily, a parent will not be deemed underemployed if the parent is caring for a child not more than under 6 months of age. Determination of potential income will be made according to any or all of the following methods, as appropriate: i. Determine employment potential and probable earnings level based on the parent's work history, qualifications, and job opportunities and earnings levels in the community. ii. Where a parent is a student, potential monthly income during the school term may be determined by considering student loans from any source</p>
LA	Suspends order when incarcerated	<p>A. In accordance with the provisions of this Section, every order of child support shall be suspended when the obligor will be or is incarcerated for any period of one hundred eighty consecutive days or more, unless any of the following conditions exist: (1) The obligor has the means to pay support while incarcerate</p>
MT	<p>MT essentially lists all 14 consideration but has many others considerations</p> <p>MT considers incarceration of 180 days</p>	<p>RULE 5: IMPUTED INCOME FOR CHILD SUPPORT (ARM 37.62.106)</p> <p>(1) "Imputed income" means income not actually earned by a parent, but which is attributed to the parent based on the provisions of this rule. It is presumed that all parents are capable of working at least 40 hours per week at minimum wage, absent evidence to the contrary. It is appropriate to impute income to a parent, subject to the provisions of (6) of this rule, when the parent:</p> <ul style="list-style-type: none"> (a) is unemployed; (b) is underemployed; (c) fails to produce sufficient proof of income; (d) has an unknown employment status; or is a student. <p>(3) In all cases where imputed income is appropriate, the amount is based on the following:</p> <ul style="list-style-type: none"> (a) the parent's recent work and earnings history; (b) the parent's occupational, educational, and professional qualifications; (c) existing job opportunities and associated earning levels in the community or the local trade area;

		<p>(d) the parent's age, literacy, health, criminal record, record of seeking work, and other employment barriers;</p> <p>(e) the availability of employers willing to hire the parent; and</p> <p>(f) other relevant background factors.</p> <p>(4) Imputed income may be in addition to actual income and may not necessarily reflect the same rate of pay as the actual income.</p> <p>(5) Income is imputed according to a parent's status as a full- or part-time student, whose education or retraining will result, within a reasonable time, in an economic benefit to the child for whom the support obligation is determined, unless actual income is greater. If the student is:</p> <p>(a) full-time, the parent's earning capacity is based on full-time employment for 13 weeks and approximately half of full-time employment for the remaining 39 weeks of a 12-month period; or</p> <p>(b) part-time, the parent's earning capacity is based on full-time employment for a 12-month period.</p> <p>(6) Income is not imputed if any of the following conditions exist:</p> <p>(a) the reasonable and unreimbursed costs of child care for dependents in the parent's household would offset in whole or in substantial part, that parent's imputed income;</p> <p>(b) a parent is physically or mentally disabled to the extent that the parent cannot earn income, or is incarcerated for more than 180 days;</p> <p>(c) unusual emotional and/or physical needs of a legal dependent require the parent's presence in the home;</p> <p>(d) the parent has made diligent efforts to find and accept suitable work or to return to customary self-employment, to no avail; or</p> <p>(e) the court or hearing officer makes a finding that other circumstances exist which make the imputation of income inequitable. However, the amount of imputed income shall be decreased only to the extent required to remove such inequity.</p>
NE	NE's provision essentially mirrors the federal language	<p>(D) Copies of at least 2 years' tax returns, financial statements, and current wage stubs should be furnished to the court and the other party to the action at least 3 days before any hearing requesting relief. Any party claiming an allowance of depreciation as a deduction from income shall furnish to the court and the other party copies of a minimum of 5 years' tax returns at least 14 days before any hearing pertaining to the allowance of the deduction.</p> <p>E) If applicable, earning capacity may be considered in lieu of a parent's actual, present income. Earning capacity is not limited to wage-earning capacity but includes moneys available from all sources. When imputing income to a parent, the court shall take into consideration the specific circumstances of the parents, to the extent known. Those factors may include the parent's residence, employment and earnings history, job skills, educational attainment, literacy, age, health, and employment barriers, including criminal record, record of seeking work, prevailing local earning levels, and availability of employment.</p> <p>Incarceration may not be treated as voluntary unemployment or underemployment in establishing or modifying child support orders.</p>
ND	ND provides more considerations and exceptions than most states in its income imputation provision	<p>3. Net income received by an obligor from all sources must be considered in the determination of available money for child support.</p> <p>7. Income must be sufficiently documented through the use of tax returns, current wage statements, and other information to fully apprise the court of all gross income. Where gross income is subject to fluctuation, regardless of whether the obligor is employed or self-employed, information reflecting and covering a period of time sufficient to reveal the likely extent of fluctuations must be provided.</p> <p>75-02-04.1-07. Imputing income based on earning capacity. 1. For purposes of this section:</p> <p>a. "Earnings" includes in-kind income and amounts received in lieu of actual earnings, such as social security benefits, workers' compensation wage replacement benefits, unemployment insurance benefits, veterans' benefits, and earned income tax credits; and</p> <p>b. An obligor is "underemployed" if the obligor's gross income from earnings is significantly less than this state's statewide average earnings for persons with similar work history and</p>

ND	<p>occupational qualifications. 2. An obligor is presumed to be underemployed if the obligor's gross income from earnings is less than the greater of: a. Six-tenths of this state's statewide average earnings for persons with similar work history and occupational qualifications; or b. A monthly amount equal to one hundred sixty-seven times the federal hourly minimum wage. 3. Except as provided in subsections 4, 5, 6, and 7, gross income based on earning capacity equal to the greatest of subdivisions a through c, less actual gross earnings, must be imputed to an obligor who is unemployed or underemployed. A. A monthly amount equal to one hundred sixty-seven times the hourly federal minimum wage. b. An amount equal to six-tenths of this state's statewide average earnings for persons with similar work history and occupational qualifications. C. An amount equal to ninety percent of the obligor's greatest average gross monthly earnings, in any twelve consecutive months included in the current calendar year and the two previous calendar years before commencement of the proceeding before the court, for which reliable evidence is provided. 4. Monthly gross income based on earning capacity may not be imputed under subsection 3 if: a. The reasonable cost of child care equals or exceeds seventy percent of the income which would otherwise be imputed where the care is for the obligor's child: (1) For whom the obligor has primary residential responsibility; (2) Who is under the age of thirteen; and (3) For whom there is no other adult caretaker in the obligor's home available to meet the child's needs during absence due to employment. B. Current medical records confirm the obligor suffers from a disability sufficient in severity to reasonably preclude the obligor from gainful employment that produces average monthly gross earnings equal to at least one hundred sixty-seven times the hourly federal minimum wage.</p> <p>c. The unusual emotional or physical needs of a minor child of the obligor require the obligor's presence in the home for a proportion of the time so great as to preclude the obligor from gainful employment that produces average monthly gross earnings equal to one hundred sixty-seven times the hourly federal minimum wage. d. The obligor has average monthly gross earnings equal to or greater than one hundred sixty-seven times the hourly federal minimum wage and is not underemployed. E. The obligor is under eighteen years of age or is under nineteen years of age and enrolled in and attending high school. F. The obligor is receiving: (1) Supplemental security income payments; (2) Social security disability payments; (3) Workers' compensation wage replacement benefits; (4) Total and permanent disability benefits paid by the railroad retirement board; (5) Pension benefits, as defined in subsection 9, paid by the veterans benefits administration; or (6) Disability compensation paid by the veterans benefits administration based on an overall disability rating of one hundred percent. G. It has been less than one hundred eighty days since the obligor was released from incarceration under a sentence of at least one hundred eighty days. H. The obligor is incarcerated under a sentence of one hundred eighty days or longer, excluding credit for time served before sentencing. 5. If an unemployed or underemployed obligor shows that employment opportunities, which would provide earnings at least equal to the lesser of the amounts determined under subdivision b or c of subsection 3, are unavailable within one hundred miles [160.93 kilometers] of the obligor's actual place of residence, income must be imputed based on earning capacity equal to the amount determined under subdivision a of subsection 3, less actual gross earnings. 6. If the obligor fails, upon reasonable request made in any proceeding to establish or review a child support obligation, to furnish reliable information concerning the obligor's gross income from earnings, and if that information cannot be reasonably obtained from sources other than the obligor, income must be imputed based on the greatest of: a. A monthly amount equal to one hundred sixty-seven times the hourly federal minimum wage. b. An amount equal to one hundred percent of this state's statewide average earnings for persons with similar work history and occupational qualifications. C. An amount equal to one hundred percent of the obligor's greatest average gross monthly earnings, in any twelve consecutive months included in the current calendar year and the two previous calendar years before commencement of the proceeding before the court, for which reliable evidence is provided. 7. Notwithstanding subsections 4, 5, and 6, if an obligor makes a voluntary change in employment resulting in reduction of income, monthly gross income equal to one hundred 10 percent of the obligor's greatest average monthly earnings, in any twelve consecutive months included in the current calendar year and the</p>
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		<p>two previous calendar years before commencement of the proceeding before the court, for which reliable evidence is provided, less actual monthly gross earnings, may be imputed without a showing that the obligor is unemployed or underemployed. For purposes of this subsection, a voluntary change in employment is a change made for the purpose of reducing the obligor's child support obligation and may include becoming unemployed, taking into consideration the obligor's standard of living, work history, education, literacy, health, age, criminal record, barriers to employment, record of seeking employment, stated reason for change in employment, likely employment status if the family before the court were intact, and any other relevant factors. The burden of proof is on the obligor to show that the change in employment was not made for the purpose of reducing the obligor's child support obligation. 8. Imputed income based on earning capacity is an example of gross income and is subject to the deductions from gross income set forth in subsection 6 of section 75-02-04.1-01. 9. For purposes of paragraph 5 of subdivision f of subsection 4, "pension benefits" means only needs-based payments made by the veterans benefits administration to war-time veterans whose income is below a yearly limit set by Congress and who are age sixty-five or older or have a total and permanent disability.</p>
SD	<p>SD provides a low-income adjustment but does not specifically state it.</p> <p>SD is currently reviewing its guidelines and is considering how to best meet the new federal requirement</p>	<p>25-7-6.1 Support obligation schedule. If the obligation using only the noncustodial parent's monthly net income is an obligation within the emboldened areas of the schedule, that amount shall be compared to the noncustodial parent's proportionate share using both parents' monthly net incomes. The lesser amount establishes the noncustodial parent's child support order.</p> <p>25-7-6.4 Rebuttable presumption of employment at minimum wage. Except in cases of physical or mental disability, it is presumed for the purposes of determination of child support that a parent is capable of being employed a minimum of one thousand eight hundred twenty hours per year, including while incarcerated, and the parent's child support obligation shall be calculated at a rate not less than one thousand eight hundred twenty hours at the state minimum wage. Evidence to rebut this presumption may be presented by either parent.</p> <p>25-7-6.10 Factors considered for deviation from schedule. Deviation from the schedule in § 25-7-6.2 shall be considered if raised by either party and made only upon the entry of specific findings based upon any of the following factors: (6) The voluntary and unreasonable act of a parent which causes the parent to be unemployed or underemployed, unless the reduction of income is due to incarceration.</p>
UT	<p>UT's provision on income imputation essentially mirrors the federal language</p>	<p>b) Each parent shall provide verification of current income. Each parent shall provide year-to-date pay stubs or employer statements and complete copies of tax returns from at least the most recent year unless the court finds the verification is not reasonably available. Verification of income from records maintained by the Department of Workforce Services may be substituted for pay stubs, employer statements, and income tax returns.</p> <p>8)(a)Income may not be imputed to a parent unless the parent stipulates to the amount imputed, the parent defaults, or, in contested cases, a hearing is held and the judge in a judicial proceeding or the presiding officer in an administrative proceeding enters findings of fact as to the evidentiary basis for the imputation. (b)If income is imputed to a parent, the income shall be based upon employment potential and probable earnings considering, to the extent known: (i)employment opportunities; (ii)work history; (iii)occupation qualifications; (iv)educational attainment; (v)literacy; (vi)age; (vii)health; (viii)criminal record; (ix)other employment barriers and background factors; and</p>

		<p>(x)prevailing earnings and job availability for persons of similar backgrounds in the community. (c)If a parent has no recent work history or a parent's occupation is unknown, that parent may be imputed an income at the federal minimum wage for a 40-hour work week. To impute a greater or lesser income, the judge in a judicial proceeding or the presiding officer in an administrative proceeding shall enter specific findings of fact as to the evidentiary basis for the imputation. (d)Income may not be imputed if any of the following conditions exist and the condition is not of a temporary nature: (i)the reasonable costs of child care for the parents' minor children approach or equal the amount of income the custodial parent can earn; (ii)a parent is physically or mentally unable to earn minimum wage; (iii)a parent is engaged in career or occupational training to establish basic job skills; or (iv)unusual emotional or physical needs of a child require the custodial parent's presence in the home.</p> <p>(6) Incarceration of at least six months may not be treated as voluntary unemployment by the office in establishing or modifying a support order</p>
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SECTION 5: IMPACT OF GUIDELINES

This Section considers the impact of the existing and proposed, updated tables for a wide range of incomes. It uses eight case scenarios to examine the impact of updating the tables. The median earnings of Wyoming workers by highest educational attainment and gender are used to develop case scenarios to compare the existing tables to updated tables. Earnings are reported for five levels of educational attainment by the U.S. Census 2019 American Community Survey.⁸⁰ It is assumed that the median earnings of the receiving party are those of a female worker in Wyoming, and the median earnings of the obligated parent are those of a male worker in Wyoming.⁸¹ There are no adjustments to base support or deductions from income for special factors such as the cost of the child's health insurance premium or substantial shared physical custody. In addition, three other scenarios are considered. The first scenario assumes that each parent's income is equivalent to full-time, minimum wage (\$7.25 per hour). The last two scenarios consider high income.

Exhibit 34: Summary of Case Scenarios Used to Compare Impact of Updated Tables

Case Scenario	Approximate Net Monthly Income of Obligated Parent	Approximate Net Monthly Income of Receiving Party*
1. Each parent earns full-time, minimum wage	\$1,104	\$1,140
2. Parent's earnings are equivalent to median earnings of Wyoming workers with less than a high school education	\$2,404	\$1,318
3. Parent's earnings are equivalent to median earnings of Wyoming workers whose highest educational attainment is a high school degree or GED	\$3,534	\$1,885
4. Parent's earnings are equivalent to median earnings of Wyoming workers whose highest educational attainment is some college or an associate degree ⁸²	\$3,533	\$2,079
5. Parent's earnings are equivalent to median earnings of Wyoming workers whose highest educational attainment is a college degree	\$3,832	\$2,577
6. Parent's earnings are equivalent to median earnings of Wyoming workers whose highest educational attainment is graduate degree	\$4,109	\$4,171
7. High income case: combined net income of \$15,000 per month, parents have equal incomes	\$7,500	\$7,500
8. High income case: combined net income of \$15,000 per month, obligated parent has higher income	\$10,000	\$5,000

*Net-income is calculated using 2021 IRS withholding formulas and do not consider the temporary advanced child tax credit.

⁸⁰ U.S. Census data is retrieved from <https://www.census.gov/data/tables.html>.

⁸¹ According to national data, over 80 percent of custodial parents are females.

⁸² It is not clear whether the median income for Wyoming males whose highest educational attainment is some college is really the same as the median income for Wyoming males whose highest educational attainment is a high school degree or whether there was an error in the Census data.

The comparisons also compare the guidelines of neighboring states. Exhibit 35 compares the guidelines basis and the underlying economic data of the states compared. All of the neighboring states rely on the income shares model except for Montana and North Dakota. Montana relies on the Melson formula; however, Montana's application of the Melson formula produces much lower orders than the other two states that use the Melson formula (*i.e.*, Delaware and Hawaii). North Dakota uses a percentage-of-obligor income guidelines model. Generally, the income shares model produces lower amounts at higher incomes than either the Melson formula and the percentage-of-obligor guidelines due differences in the models.

The underlying economic data varies vastly among the states using the income shares model. The economic basis of Utah is unknown. Idaho relies on an economic study that is about 40 years old. Idaho's formula also uses child-related tax benefits to offset the cost of raising children. This vastly lowers the guidelines-determined amount. Research finds that the EITC is a very successful anti-poverty program and encourages work.⁸³ Most states do not count means-tested income for the purposes of income available for child support, and consider the EITC to be a means-tested program. South Dakota relies on an older Betson-Rothbarth study that was adjusted for South Dakota's below average income. Wyoming, Colorado and Nebraska all use the fourth Betson-Rothbarth (BR4) study. Colorado's application of the BR4 is low because Colorado has not updated its schedule for changes in prices since 2010. Nebraska's application of the BR4 is adjusted for Nebraska's price parity. The U.S. Bureau of Economic Analysis developed the price parity measure and uses it to compare regional prices. A price parity of 100 percent is identical to national average prices. A state with a price parity greater than 100 percent has above average prices. A state with a price parity less than 100 percent has below average price levels. As shown in Exhibit 35, Nebraska's price parity is about 10 percent less than the national average. The amounts of Nebraska schedule were lowered by multiplying the BR4 (which reflect national average levels) amounts by Nebraska's price parity. Although South Dakota's price parity is lower than Nebraska's, South Dakota used a different method to adjust the BR measurements for South Dakota's lower incomes. Recent research conducted for Alabama indicates that South Dakota's method for adjusting for below average prices/income is more appropriate than Nebraska's method.⁸⁴

The proposed update to the Wyoming guideline produces order amounts that are the highest or second highest among neighboring states. As higher incomes, North Dakota is typically the highest. The proposed Wyoming amounts are often higher because other states are either based on old data, no or limited data, have not recently updated for changes in price levels, have adjusted for that state's below average income or prices, use the EITC to offset the guidelines amount, or a combination of these factors. Some of the gap may close as more states update their guidelines South Dakota and Colorado are currently reviewing their guidelines and may update their schedules to reflect current price levels.

⁸³ For example, see Strain, Michael. (Nov. 2020.) *Employment Effects of the Earned Income Tax Credit: Taking the Long View*. Retrieved from [Employment effects of the Earned Income Tax Credit: Taking the long view | American Enterprise Institute - AEI](#)

⁸⁴ See Alabama Administrative Office of Courts. (n.d.) *Child Support Guidelines Review*. Retrieved from [https://www.alacourt.gov/ChildSupportReview.aspx#:~:text=Rule%2032\(G\)%2C%20Alabama,in%20appropriate%20child%2Dsupport%20determinations](https://www.alacourt.gov/ChildSupportReview.aspx#:~:text=Rule%2032(G)%2C%20Alabama,in%20appropriate%20child%2Dsupport%20determinations).

Exhibit 35: Comparison of Selected Factors among Neighboring States

	US	WY	CO	ID	MT	ND	NE	SD	UT
Base of Guideline Income	N.A.	Net	Gross	Gross	Net	Net	Net	Net	Gross
Guidelines Model	N.A.	Income Shares	Income Shares	Income Shares	Income Shares	% of income	Income Shares	Income Shares	Income Shares
Underlying Economic Study (Year of Price Levels Considered)	N.A.	BR4 (2012)	BR4 adjusted for CO housing cost (2010)	van der Gaag (1990s or earlier)	Un-known	Un-known	BR4 (2018) adjusted for NE prices	BR3 (2016) adjusted for SD Income	Un-known
2019 Population	328,239,523	578,759	5,758,736	1,787,065	1,068,778	762,062	1,934,408	884,659	3,205,958
2019 Number of Children in State⁸⁵	72,967,785	134,189	1,256,320	449,355	226,524	176,706	475,096	215,269	930,308
2019 State IV-D Child Support Caseload⁸⁶	13,604,791	25,467	138,913	100,452	33,890	34,477	100,820	46,463	86,163
Percentage of Caseload under Order⁸⁷	87.21	94.19	88.35	90.53	88.59	87.31	86.29	93.10	86.80
Percentage of Current Support Collected⁸⁸	66.17	70.73	64.08	63.98	65.52	76.18	71.65	63.06	66.49
2019 Median Income (2 parents)⁸⁹	\$103,978	\$103,978	\$112,256	\$87,314	\$93,766	\$105,592	\$100,890	\$93,434	\$97,180
2019 Median income (Female householder)⁹⁰	\$31,035	\$31,035	\$36,959	\$30,642	\$27,450	\$30,879	\$32,246	\$29,740	\$37,891
2019 Median Gross Rent⁹¹	\$1,097	\$822	\$1,369	\$880	\$831	\$804	\$859	\$769	\$1,098
2021 Minimum Hourly Wage⁹²	\$7.25	\$7.25	\$12.32	\$7.25	\$8.75	\$7.25	\$9.00	\$9.45	\$7.25
Median hourly wage of food preparation worker (May 2020)⁹³	\$12.53	\$12.63	\$14.24	\$11.12	\$11.26	\$11.87	\$12.40	\$11.21	\$12.78
Unemployment Rates⁹⁴									
• August 2021	5.2	4.9	5.9	2.9	3.5	3.6	2.2	2.9	2.6
• August 2020	8.4	6.2	7.1	4.9	5.8	6.1	4.0	4.7	4.8
Price Parity⁹⁵	100.0	92.8	101.9	92.2	93.5	89.3	89.5	87.8	96.5

⁸⁵ U.S. Census Data (2019). Children defined as being under 18 years of age. <https://data.census.gov/cedsci/>

⁸⁶ U.S. DHHS. Office of Child Support Enforcement. (Jun. 17, 2021). *FY 2020 Preliminary Data Report*. Table P-52, Retrieved from https://www.acf.hhs.gov/sites/default/files/documents/ocse/fy_2020_preliminary_data_report.pdf

⁸⁷ Ibid. Table P-39

⁸⁸ Ibid

⁸⁹ U.S. Census Data (2019). Married Couple Families with own children under 18 <https://data.census.gov/cedsci/>

⁹⁰ U.S. Census Data (2019). Families, female householder, no spouse present, with own children under 18.

<https://data.census.gov/cedsci/>

⁹¹ U.S. Census Data (2019). <https://data.census.gov/cedsci/>

⁹² U.S. Dept. of Labor. (n.d.). *State Minimum Wage Laws*. Retrieved from <https://www.dol.gov/agencies/whd/minimum-wage/state>.

⁹³ U.S. Bureau of Labor Statistics. (n.d.) Retrieved from https://www.bls.gov/oes/current/oes_nat.htm#35-0000.

⁹⁴ U.S. Bureau of Labor Statistics (2021) (seasonally adjusted). Retrieved from <https://www.bls.gov/news.release/laus.nr0.htm>

Error! Not a valid bookmark self-reference., Exhibit 37, and Exhibit 38 compare case scenarios 1-4 for one, two and three children. For the first scenario where both parents have full-time, minimum wage earnings, the existing and proposed Wyoming guidelines yield the same amount due to the self-support reserve adjustment being applied. Wyoming indexes its self-support reserve, so it is updated with annual changes to the federal poverty guidelines for one person. Most of the other states do not index their self-support reserve. Utah has not updated its low-income adjustment for several years. South Dakota's self-support reserve is lower than the federal poverty guidelines for one person.

Exhibit 39, Exhibit 40, and Exhibit 41 compare case scenarios 5-7 for one, two and three children. For these higher income scenarios, the proposed Wyoming amounts are generally within range of other states except Idaho and Utah, which have some the lowest guidelines in the nation.

With regard to the differences between the existing and proposed Wyoming amounts, the differences

- average 12 percent; and
- the median difference is 11 percent.

This is smaller than the increase in prices since the existing Wyoming table was created in 2012. As stated earlier, prices have increased by 18.9 percent. (Some of this price increase is offset by increases in income.) The range in the increase is 0 to 22.4 percent. There is no increase in the first scenario because the self-support reserve would apply. Generally, the increases are smaller at lower incomes and larger at higher incomes. Besides prices, the newer BR measurements suggest a small increase in child-rearing expenditures that becomes larger at higher incomes. Part of the increase at very high incomes is also driven by an improved measure of after-tax income, which affects the higher incomes more so than lower incomes because higher incomes face a higher tax rate.

With the exception of Case 7 and 8 for one and two children, which involve very high-income cases, none of the case scenarios indicate at least a 20 percent difference between the existing and proposed amounts. According to the federal Office of Child Support Enforcement, Wyoming requires at least a 20 percent change from the existing order amount to modify an order.⁹⁶ Some states that have not updated their guidelines for several years lower the proposed amounts to avoid price sticker shock. In lowering the amounts, they consider the USDA amounts at higher incomes (which are sometimes lower than the BR5 amounts at very high incomes) and that the differences in the new amounts should not exceed the state's modification threshold.

⁹⁵ U.S. Bureau of Economic Analysis. (Dec 2020.) *2019 Regional Price Parities by State (US = 100)*. Retrieved from <https://www.bea.gov/news/2020/real-personal-income-state-and-metropolitan-area-2019>

⁹⁶ U.S. DHHS Office of Child Support Enforcement. (n.d.) *Interstate Reference Guide*. Retrieved from <https://ocsp.acf.hhs.gov/irg/profile.html> .

Exhibit 36: Comparisons of Case Scenarios 1-4 for One Child

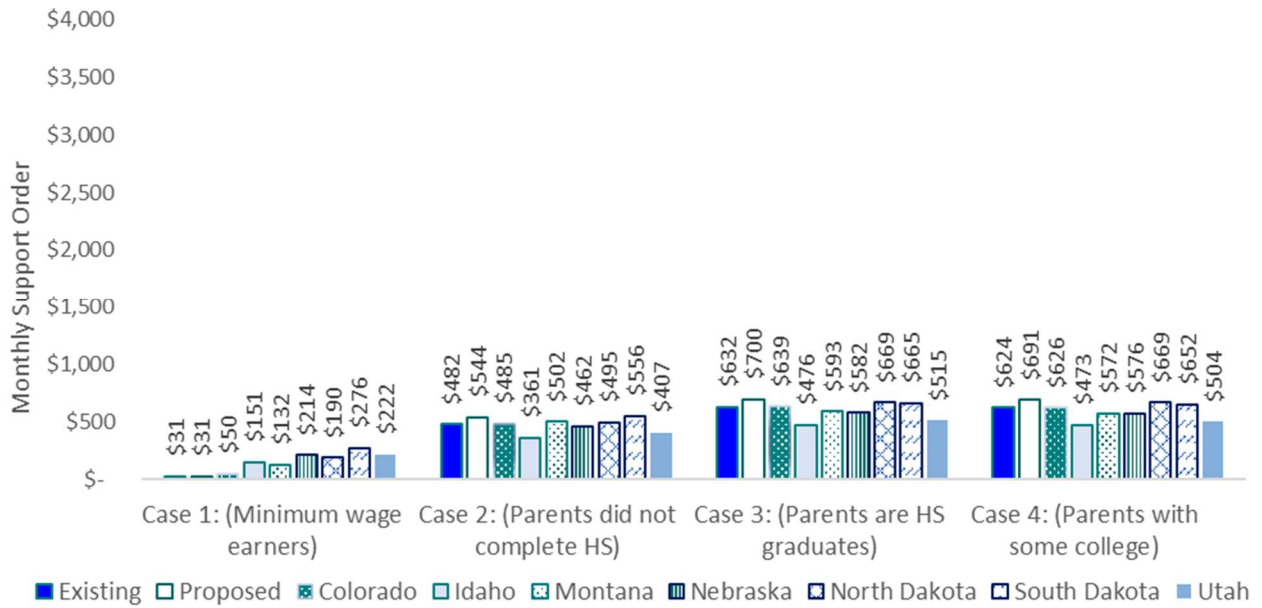


Exhibit 37: Comparisons of Case Scenarios 1-4 for Two Children

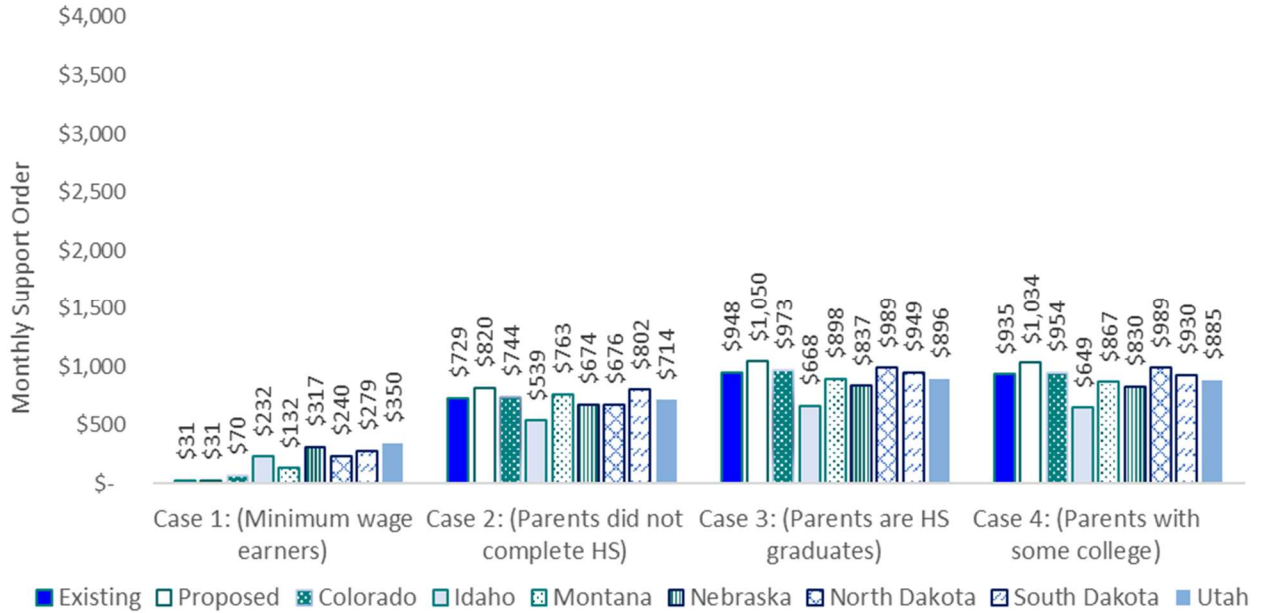


Exhibit 38: Comparisons of Case Scenarios 1-4 for Three Children

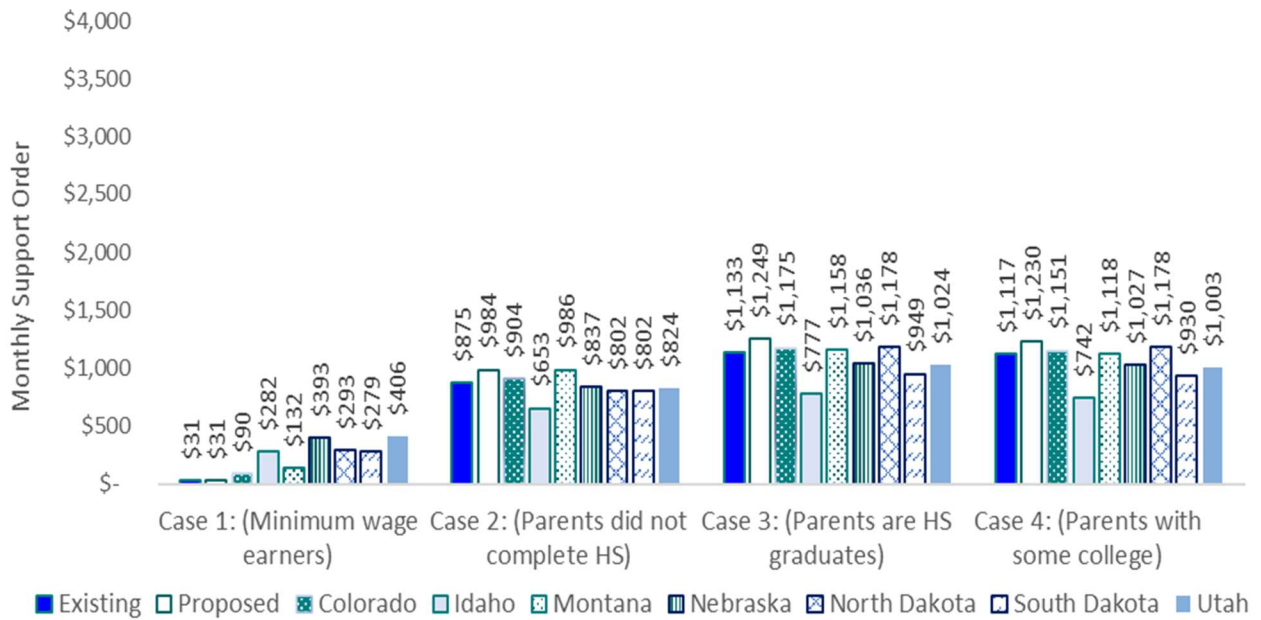


Exhibit 39: Comparisons of Case Scenarios 5-8 for One Child

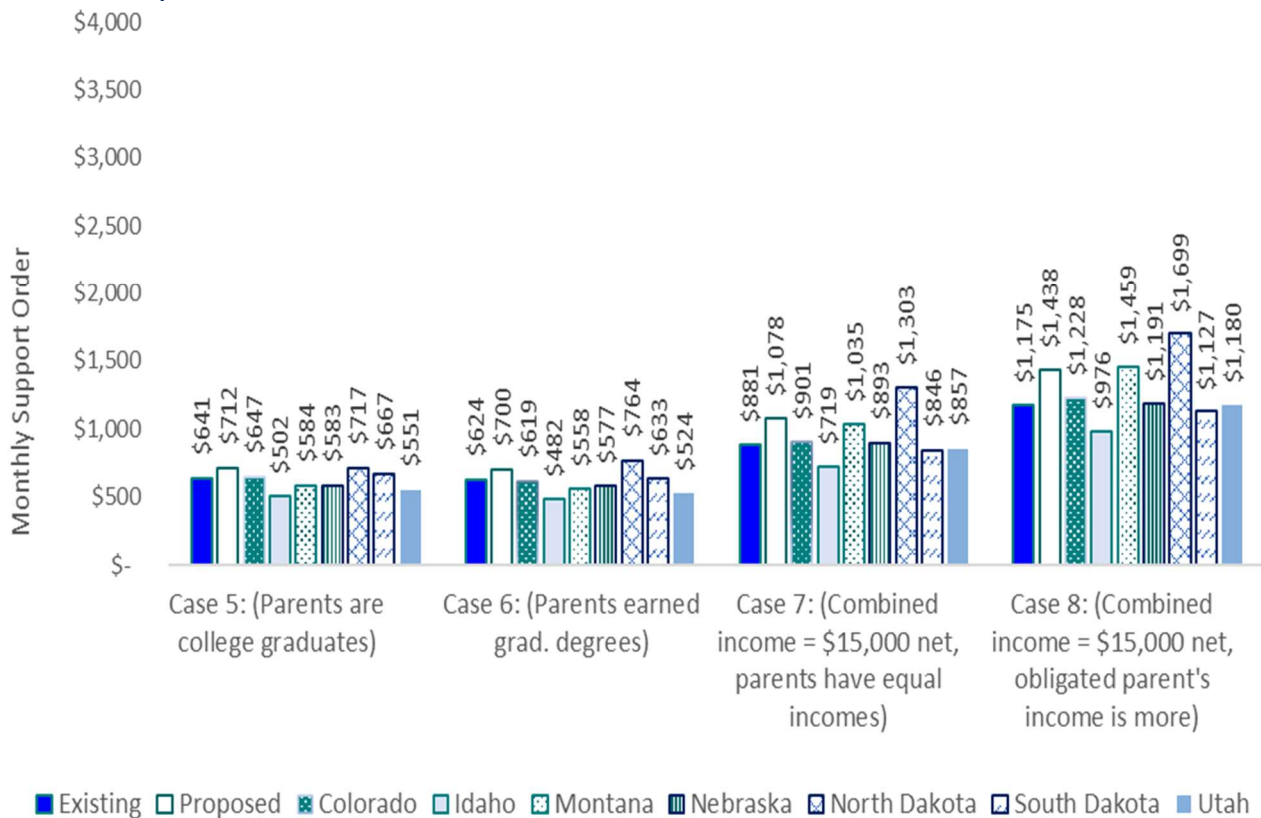


Exhibit 40: Comparisons of Case Scenarios 5-8 for Two Children

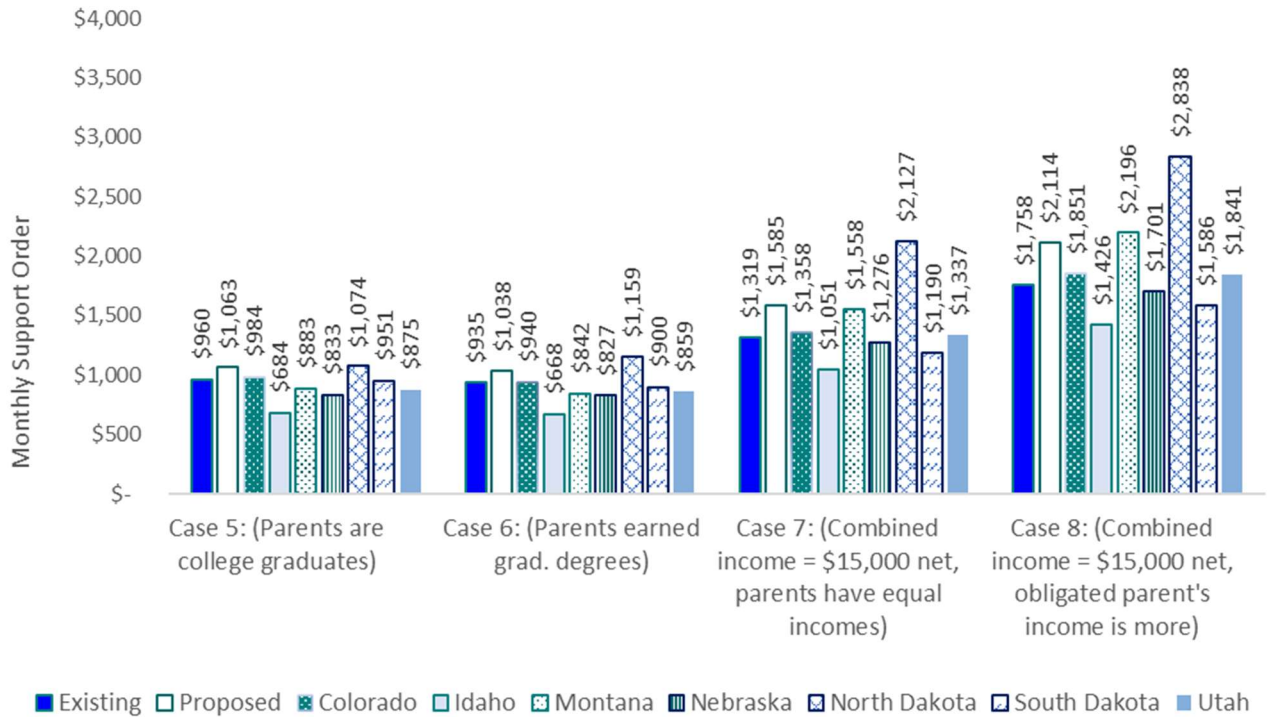
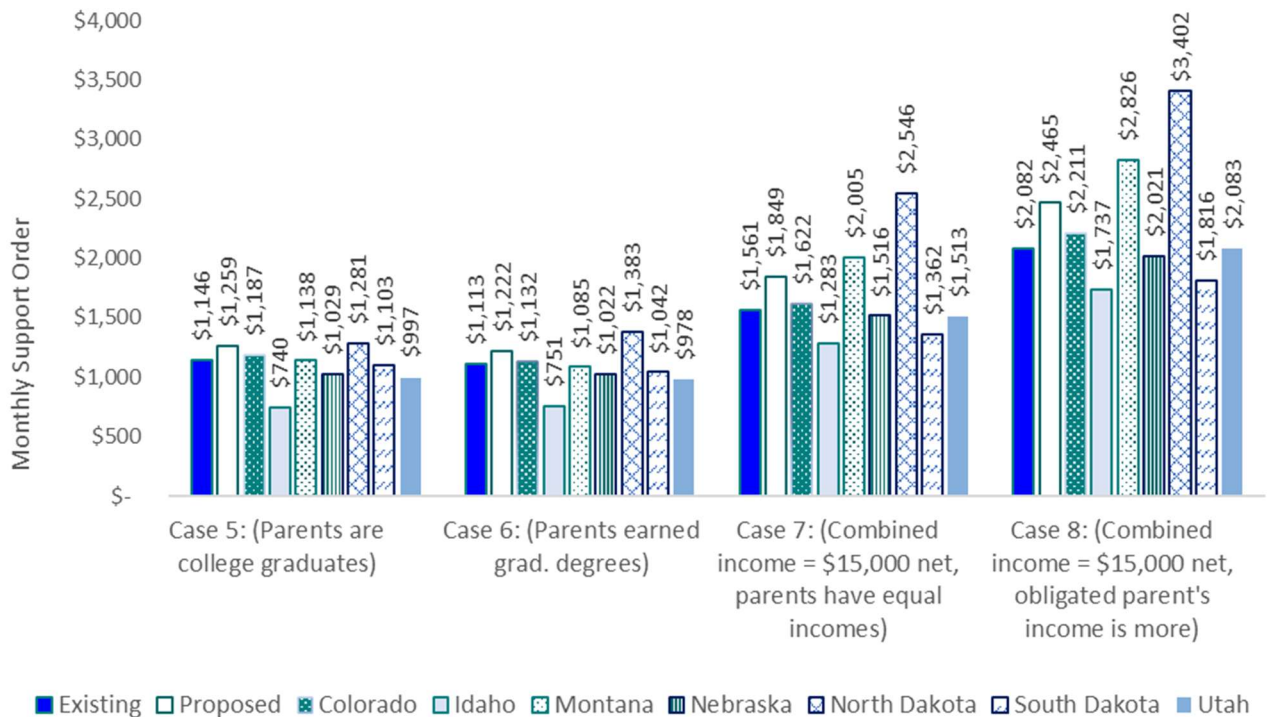


Exhibit 41: Comparisons of Case Scenarios 5-8 for Three Children



SECTION 6: SUMMARY AND CONCLUSIONS

Wyoming is reviewing its child support guidelines. This report provides findings from analyzing data that states are federally required to consider as part of their guidelines review. This includes the analysis of economic data on the cost of raising children. The more current economic data is used to develop an updated proposed Wyoming child support guidelines tables. Based on the analysis of 24 case scenarios using a range of incomes and number of children, the average increase would be 12 percent. Prices have increased by about 19 percent since Wyoming last updated its tables. The current Wyoming tables are based on 2012 price levels. The increase is not 19 percent because income increases over time have offset some of the price increase. The increases are smaller at low incomes and larger at high incomes. The increase is more than 20 percent, which is Wyoming's modification threshold, for two scenarios. Both involve very high incomes. Some states that have not updated their guidelines for several years, only provide a partial increase to avoid price sticker shock.

Federal regulation requires the analysis of guidelines deviations; the rates of income imputation, default and application of the low-income adjustment; and payment patterns. Wyoming's guideline deviation rate is 13 percent, which is not large compared to other states. Since deviations may consider the best interest of the child and the appropriateness of the guidelines in general to a particular case, the detailed circumstance for the deviation is often not listed. One common specific reason, however, concerns the support of the parent's additional dependents living with that parent. Most states provide an income deduction for in-home children by calculating a theoretical child support order using only the income of the parent for those children. Research finds that when that theoretical child support order is weighed by 75 percent it equalizes support between a parent's different sets of children. Several states including Colorado provide an income deduction of 75 percent of the theoretical order for in-home children.

Income was imputed to 40 percent of the obligated parents and 53 percent of the receiving parents in the analyzed cases. The data were pulled from orders established or modified during the COVID-19 pandemic, which vastly affected employment opportunities and incomes. The high rates of income imputation may reflect employment changes during the pandemic rather than normal practices. Wyoming may want to monitor the frequency of income imputation. The low-income adjustment (which is a self-support reserve in Wyoming) was applied in 35 percent of analyzed cases. Most of these cases involved obligated parents whose income was imputed at minimum-wage earnings.

National data suggests defaults track closely with income imputation and default occurs less frequently than income imputation. Defaults were not measured for this review because data were not readily available and it was not clear how to best measure them since the intent of the federal regulation is to capture non-engagement where "default" is a proxy for non-engagement. The federal goal is to encourage states to adapt policies that encourage the obligated parent's engagement. Most states will enter a default when the obligated parent does not respond to a compliant or summons. When Wyoming does not receive a response, a hearing is scheduled, and the parent can make a statement and provide evidence at the hearing. In other words, there is still an opportunity to engage the parent. One recommendation is for Wyoming to figure out the best way to meet the federal requirement as well as provide meaningful information to Wyoming's review that embraces the intent of the federal requirement. Payments were analyzed but not separately for cases with income imputation or where

the self-support reserve were applied because of data limitations. As is, the Wyoming Child Support Division is considering other system changes to better track this information and all requisite federal data for its next review.

Since Wyoming last reviewed its guidelines, federal requirements of state guidelines have expanded. Wyoming's current guidelines meets two of the new federal requirements directly (*i.e.*, it provides a self-support reserve and allows oral testimony, which broadens the types of income evidence that can be used). In practice, Wyoming meets the other two federal requirements to consider the individual circumstances of the obligated parent when imputing income and to not treat incarceration as voluntary unemployment. Nonetheless, Wyoming should still adapt the federal language as shown in the textbox below or using the examples of provisions of other states that are shown in Exhibit 33 to demonstrate full compliance.

Federal Requirement (45 C.F.R)
§ 302.56(c)(1)(iii) If imputation of income is authorized, takes into consideration the specific circumstances of the noncustodial parent (and at the State's discretion, the custodial parent) to the extent known, including such factors as the noncustodial parent's assets, residence, employment and earnings history, job skills, educational attainment, literacy, age, health, criminal record and other employment barriers, and record of seeking work, as well as the local job market, the availability of employers willing to hire the noncustodial parent, prevailing earnings level in the local community, and other relevant background factors in the case
§ 302.56(c)(3) Provide that incarceration may not be treated as voluntary unemployment in establishing or modifying support orders

Other recommendations concerned providing that the shared placement formula shall not produce an order amount higher than the basic custody formula; and, providing for more discretion in what income to be used in non-parent caretaker cases. This simple provision concerning the shared placement formula avoids a mathematical anomaly when the lesser-time parent has significantly more income than the other parent and timesharing is near the threshold for applying the adjustment. Allowing for more discretion in the income to be used in non-parent caretaker cases better recognizes the unique circumstances of the obligated parent (who may have been the custodial parent prior to the removal of the child from the home and may be reunited with the child depending on the child's permanency plan), rather than affecting the order amount by imputing income to the receiving party.

In summary, the proposed changes are just and appropriate particularly given current economic data and federal changes. They consider the best interests of Wyoming children.

APPENDIX A: TECHNICAL DOCUMENTATION OF THE UPDATED TABLES

There are several technical considerations and steps taken to update the tables. The economic data and assumptions underlying the updated tables are summarized below.

- There are no significant changes in the underlying principles and guidelines model.
- The basis for the tables is the fifth set of Betson-Rothbarth (BR) measurements, which are described in Section 3.
- The tables are updated to 2021 price levels.
- The tables do not include child care expenses, the cost of the child's health insurance premium, and the extraordinary, unreimbursed medical expenses of the child. The guidelines calculation considers or can consider the actual amounts expended for these items on a case-by-case basis.
- The BR measurements of child-rearing expenditures are expressed as a percentage of total family expenditures and are converted to net income for guidelines purposes.
- The tables are based on the average of all expenditures on children from ages 0 through 17 years. There is no adjustment for the child's age.

This Appendix provides more detail to the underlying data and assumptions described to the overview of the tables update in Section 3. It also provides more detail about the underlying data. Exhibit A-1 shows the data that Betson provided CPR to convert the BR5 measurements to child support tables that was mentioned in Section 3.

Overview of Income Ranges

Overall, Betson provided CPR with information for 25 income ranges that were generally income intervals of \$5,000 to \$20,000 per year. CPR collapsed a few of them to average out some anomalies (e.g., a spike in the percentage of total expenditures devoted to child-rearing expenditures once child care and extraordinary medical expenses were excluded from a particular income range.) The collapsing resulted in the 20 income ranges shown in Exhibit A-1. These are more income ranges than considered in the existing Wyoming tables. To arrive at tables similar in format to existing Wyoming's tables, CPR first developed an income shares schedule similar in format to that used in most income shares states. In turn, CPR used the schedule to determine the table amounts at combined net incomes of \$1,000 per month, \$2,000 per month, \$3,200 per month, \$4,000 per month, \$4,500 per month, \$8,000 per month, and \$15,000 per month. The marginal percentages between these incomes were interpolated to arrive at proposed, updated Wyoming tables. The income shares schedule is shown at the end of this appendix. It will not perfectly match the amounts of the tables because of the interpolation. The income shares table will generally produce slightly lower amounts at very high incomes because it is more precise than the table format Wyoming uses.

Exhibit A-1: Parental Expenditures on Children and Other Expenditures by Income Range Used in the BR5 Tables

Annual After-Tax Income Range (2020 dollars)	Number of Observa- tions	Total Expenditures as a % of After-Tax Income	Expenditures on Children as a % of Total Consumption Expenditures (Rothbarth 2013–2019 data)			Child Care \$ as a % of Consump- tion (per child)	Total Excess Medical \$ as a % of Consumption	
			1 Child	2 Children	3 Children		(per capita)	(total)
\$ 0 – \$19,999	283	>200%	22.433%	34.670%	42.514%	0.473%	0.870%	3.005%
\$20,000 – \$29,999	306	134.235%	23.739%	36.642%	44.893%	0.437%	0.894%	3.208%
\$30,000 – \$34,999	306	107.769%	24.057%	37.118%	45.462%	0.407%	1.047%	3.722%
\$35,000 – \$39,999	409	103.780%	24.222%	37.364%	45.755%	0.647%	1.390%	4.878%
\$40,000 – \$44,999	428	100.064%	24.362%	37.571%	46.002%	0.721%	1.468%	5.301%
\$45,000 – \$49,999	416	97.195%	24.452%	37.705%	46.161%	0.747%	1.539%	5.485%
\$50,000 – \$54,999	399	92.716%	24.509%	37.789%	46.261%	0.855%	1.609%	5.887%
\$55,000 – \$59,999	367	90.548%	24.580%	37.894%	46.386%	1.210%	2.166%	7.389%
\$60,000 – \$64,999	335	86.130%	24.615%	37.945%	46.447%	0.776%	2.071%	7.474%
\$65,000 – \$69,999	374	84.016%	24.668%	38.025%	46.541%	1.255%	2.114%	7.525%
\$70,000 – \$74,999	333	82.671%	24.725%	38.108%	46.640%	1.586%	2.121%	7.375%
\$74,999 – \$84,999	615	82.690%	24.820%	38.249%	46.807%	1.743%	2.343%	7.894%
\$85,000 – \$89,999	318	78.663%	24.863%	38.311%	46.880%	1.392%	2.155%	8.331%
\$90,000 – \$99,999	565	76.240%	24.912%	38.384%	46.966%	1.658%	2.000%	7.888%
\$100,000 – \$109,999	493	75.488%	24.996%	38.508%	47.113%	2.159%	1.946%	7.121%
\$110,000 – \$119,999	374	73.058%	25.054%	38.593%	47.213%	2.523%	1.942%	7.583%
\$120,000 – \$139,999	468	71.731%	25.142%	38.722%	47.365%	2.477%	1.893%	6.494%
\$140,000 – \$159,999	240	70.658%	25.266%	38.904%	47.579%	3.073%	1.855%	7.516%
\$160,000 – \$199,999	512	62.753%	25.322%	38.986%	47.676%	1.790%	1.806%	7.037%
\$200,000 or more	498	58.427%	25.571%	39.350%	48.103%	2.459%	1.554%	6.501%

Steps to Convert to Tables

The steps used to convert the information from Exhibit A-1 to the updated tables shown in Section 3 are the same steps used to develop the existing tables.

The steps are presented in the order that they occur, not in the order that the factors were discussed in Section 3.

The steps consist of:

Step 1: Exclude child care expenses.

Step 2: Exclude child's healthcare expenses except up to the first \$250 per year per child that is used to cover ordinary, out-of-pocket medical expenses for the child.

Step 3: Adjust for ratio of expenditures to after-tax income.

Step 4: Update for current price levels.

Step 6: Develop marginal percentages.

Step 7: Extend measurements to four and more children.

Step 1: Exclude Child Care Expenses

Child care expenses are excluded because the actual amount of work-related child care expenses can be considered in the guidelines calculation on a case-by-case basis. The actual amount is considered because of the large variation in child care expenses, which means that the child care expense is minimal for some children (*e.g.*, older children) and substantial for others (*e.g.*, infants in center-based care). Not to exclude them from the tables and to include the actual amount in the guidelines calculation (typically as a line item in the worksheet) would be double-accounting.

Starting with the expenditures on children, which is shown in fourth column of Exhibit A-1, average child care expenses are subtracted from the percentage of total income devoted to child-rearing. For example, at combined incomes of \$60,000 to \$64,999 per year, 37.945 percent of total expenditures is devoted to child-rearing expenditures for two children. Child care comprises 0.776 percent of total expenditures per child. The percentage may appear small compared to the cost of child care, but it reflects the average across all children regardless whether they incur child care expenses. Child care expenses may not incur because the children are older, a relative provides child care at no expense, or another situation.

The percentage of total expenditures devoted to child care is multiplied by the number of children (*e.g.*, 0.776 multiplied by children is 1.552%). Continuing with the example of a combined income of \$60,000 to \$64,999 net per month, 1.552 percent is subtracted from 37.945 percent. The remainder, 36.393, (37.945 minus 1.552 equals 36.393) is the adjusted percentage devoted to child-rearing expenditures for two children that excludes child care expenses.

One limitation is that the CE does not discern between work-related child care expenses and child care expenses the parents incurred due to entertainment (*e.g.*, they incurred child care expenses when they went out to dinner.) This means that work-related child care expenses may be slightly overstated. In turn, this would understate the table amounts. Similarly, if there are economies to scale for child care, multiplying the number of children by the percentage per child would overstate actual child care expenses. When subtracted from the tables, this would reduce the tables too much. However, due to the small percentage devoted to child care expenses, any understatement is likely to be small.

Step 2: Exclude Medical Expenses

A similar adjustment is made for the child's medical expenses except an additional step is taken. Exhibit A-1 shows the excess medical percentage, which is defined as the cost of health insurance and out-of-pocket medical expenses exceeding \$250 per person per year. It is shown two ways by the per-capita amount and the average amount for the entire household. Either way the adjustment considers expenditures on the two adults in the household. It is adjusted to a per-child amount since medical expenses of children are less. The underlying data does not track whether the insurance premium or medical expense was made for an adult's or child's healthcare needs or both.

Based on the 2017 National Medical Expenditure survey, the annual out-of-pocket medical expense per child is \$270, while it is \$615 for an adult between the ages of 18 and 64.⁹⁷ In other words, an adult's

⁹⁷ Agency for Healthcare Research and Quality. (Jun. 2020). *Mean expenditure per person by source of payment and age groups, United States, 2017. Medical Expenditure Panel Survey*. Generated interactively: June 12, 2020, from https://www.meps.ahrq.gov/mepstrends/hc_use/.

out-of-medical expenses is 2.28 times more than that of a child. This information is used to recalibrate the per-person excessive medical amount shown in Exhibit A-1 to a per-child amount. For example, at combined incomes of \$60,000 to \$64,999 per year, the total excess medical expense is 7.474 percent. The adjusted child amount is 7.474 divided by the weighted amounts for family members (6.1684 based on 2.28 times two adults plus the average number of children for this income range, 1.6084). The quotient, 1.212 percent, is the per-child amount for excess medical. It is less than the per-capita amount of 2.071 percent.

Continuing from the example in Step 1, where 36.393 is the percentage that excludes child care for two children at a combined income of \$60,000 to \$64,999 per year, 1.212 multiplied by two children is subtracted to exclude the children's excessive medical expenses. This leaves 33.969 as the percentage of total expenditures devoted to raising two children, excluding their child care expenses and excess medical expenses.

Step 3: Convert to After-Tax Income

The next step is to convert the percentage from above to an after-tax income by multiplying it by expenditures to after-tax income ratios. Continuing using the example of combined income of \$60,000 to \$64,999 per year, the ratio is 86.130. When multiplied by 33.969, this yields 29.257 percent of after-tax income being the percentage of after-tax income devoted to raising two children, excluding their child care and excess medical expenses. An exception is made at lower incomes, because as shown in Exhibit A-1, they spend more than their after-tax income on average.

Step 4: Adjust to Current Price Levels

The amounts in Exhibit A-1 are based on May 2020 price levels. They are converted to August 2021 price levels using changes to the Consumer Price Index (CPI-U), which is the most commonly used price index.⁹⁸ The adjustment is applied to the midpoint of each after-tax income range.

Step 5: Develop Marginal Percentages

The information from the previous steps is used to compute a tax table-like schedule of proportions for one, two, and three children. The percentages from above (*e.g.*, 29.257% for two children for the combined income of \$60,000 to \$64,999 per year) are assigned to the midpoint of that income range adjusted for inflation. Marginal percentages are created by interpolating between income ranges. For the highest income range, the midpoint was supplied by Betson, and it was \$258,887 per year in May 2020 dollars. When converted to October 2020 dollars, and a monthly amount, it is \$21,910 per month.

Another adjustment was made at low incomes. The percentages for incomes below \$30,000 net per year were less than the amounts for the net income range \$30,000 to \$34,999 per year. This is an artificial result caused by the cap on expenditures in Step 3. Decreasing percentages result in a smooth decrease when the parent receiving support has more income. This is the general result of the steps thus far. The exception is at low incomes because they spend more than their after-tax income on average. For the development of the child support tables, the percentage from the \$30,000 to \$34,999 are applied to all incomes less than \$30,000 per year. For one child, the percentages are from the

⁹⁸ The increase from May 2020 to August 2021 is 6.7% based on 273.567 divided by 256.394 and subtracting 100%. Source: U.S. Bureau of Labor Statistics. (n.d.) *Consumer Price Index Historical Tables for U.S. City Average*. Retrieved from [CPI Home : U.S. Bureau of Labor Statistics \(bls.gov\)](https://www.bls.gov/cpi/home).

\$35,000 to \$39,999 income range. To be clear, this is still less than what families of this income range actually spend on children.

Exhibit A-2: Schedule of Proportions for One, Two, and Three Children							
Annual After-Tax Income Range (May 2020 dollars)	Monthly Midpoint of Income Range (Oct. 2020 Dollars)	One Child		Two Children		Three Children	
		Midpoint	Marginal Percentage	Midpoint	Marginal Percentage	Midpoint	Marginal Percentage
< \$30,000	\$0	23.041%	23.041%	35.086%	35.086%	42.414%	42.414%
\$30,000 – \$34,999	\$2,751	23.041%	23.041%	35.086%	30.397%	42.414%	34.813%
\$35,000 – \$39,999	\$3,174	23.041%	20.834%	34.461%	34.031%	41.401%	40.211%
\$40,000 – \$44,999	\$3,597	22.782%	16.965%	34.410%	25.320%	41.261%	30.000%
\$45,000 – \$49,999	\$4,020	22.169%	10.445%	33.453%	14.985%	40.075%	17.008%
\$50,000 – \$54,999	\$4,443	21.053%	9.406%	31.694%	10.817%	37.879%	8.818%
\$55,000 – \$59,999	\$4,866	20.040%	13.143%	29.879%	22.110%	35.351%	29.299%
\$60,000 – \$64,999	\$5,289	19.488%	7.992%	29.257%	9.168%	34.867%	7.438%
\$65,000 – \$69,999	\$5,713	18.637%	11.118%	27.769%	14.584%	32.835%	14.789%
\$70,000 – \$74,999	\$6,136	18.118%	16.525%	26.860%	23.208%	31.591%	25.699%
\$74,999 – \$84,999	\$6,771	17.969%	12.081%	26.518%	19.891%	31.038%	25.883%
\$85,000 – \$89,999	\$7,405	17.464%	9.419%	25.950%	13.114%	30.597%	14.370%
\$90,000 – \$99,999	\$8,040	16.829%	12.140%	24.936%	16.107%	29.315%	16.595%
\$100,000 – \$109,999	\$8,886	16.382%	7.712%	24.095%	9.708%	28.104%	9.272%
\$110,000 – \$119,999	\$9,733	15.628%	14.265%	22.844%	21.151%	26.466%	24.896%
\$120,000 – \$139,999	\$11,002	15.471%	11.375%	22.649%	15.036%	26.285%	15.418%
\$140,000 – \$159,999	\$12,695	14.925%	9.996%	21.634%	17.177%	24.836%	23.161%
\$160,000 – \$199,999	\$15,234	14.103%	10.376%	20.891%	14.835%	24.557%	16.780%
\$200,000 or more	\$21,910	12.968%		19.046%		22.187%	

Step 7: Extend to More Children

The measurements of child-rearing expenditures only cover one, two, and three children. The number of families in the CE with four or more children is insufficient to produce reliable estimates. For many child support guidelines, the National Research Council's (NRC) equivalence scale, as shown below, is used to extend the three-child estimate to four and more children.⁹⁹

$$= (\text{Number of adults} + 0.7 \times \text{number of children})^{0.7}$$

Application of the equivalence scale implies that expenditures on four children are 11.7 percent more than the expenditures for three children; expenditures on five children are 10.0 percent more than the expenditures for four children; and expenditures on six children are 8.7 percent more than the expenditures for five children.

Consumer Expenditure Data (CE)

Most studies of child-rearing expenditures, including the BR measurements, draw on expenditures data collected from families participating in the Consumers Expenditures Survey that is administered by the

⁹⁹ Citro, Constance F. and Robert T. Michael, Editors. (1995). *Measuring Poverty: A New Approach*. National Academy Press. Washington, D.C.

Bureau of Labor Statistics (BLS). Economists use the CE because it is the most comprehensive and detailed survey conducted on household expenditures and consists of a large sample. The CE surveys about 7,000 households per quarter on expenditures, income, and household characteristics (*e.g.*, family size). Households remain in the survey for four consecutive quarters, with households rotating in and out each quarter. Most economists, including Betson, use three or four quarters of expenditures data for a surveyed family. This means that family expenditures are averaged for about a year rather than over a quarter, which may not be as reflective of typical family expenditures. (In Appendix A, Betson does explore using quarterly wage data rather than analyzing CE data.)

In all, the BR5 study relies on expenditures/outlays data from almost 14,000 households, in which over half had a minor child present in the household. The subset of CE households considered for the BR5 measurements used to develop the existing updated tables consisted of married couples of child-rearing age with no other adults living in the household (*e.g.*, grandparents), households with no change in family size or composition during the survey period, and households with at least three completed interviews. Other family types were considered, which also changed the sample size, but the percentage of child-rearing expenditures in these alternative assumptions did not significantly change the percentage of expenditures devoted to child-rearing. The other family types included in these expanded samples were households with adult children living with them and domestic partners with children.

The CE asks households about expenditures on over 100 detailed items. Exhibit A-3 shows the major categories of expenditures captured by the CE. It includes the purchase price and sales tax on all goods purchased within the survey period. In recent years, the CE has added another measure of “expenditures” called “outlays.” The key difference is that outlays include installment plans on purchases, mortgage principal payments, and payments on home equity loans, while expenditures do not. To illustrate the difference, consider a family that purchases a home theater system during the survey period, puts nothing down, and pays for the home theater system through 36 months of installment payments. The expenditures measure would capture the total purchase price of the home theater system. The outlays measure would only capture the installment payments made in the survey period.

The BLS designed the CE to produce a nationally representative sample and samples representative of the four regions (Midwest, Northeast, South, and West). The sample sizes for each state, however, are not large enough to estimate child-rearing costs for families within that state. No state that has seriously contemplated conducting a survey similar to the CE at a state level. The costs and time requirements would be prohibitive.

Outlays include mortgage principal payments, payments on second mortgages, and home equity payments, which is what the 2020 Betson-Rothbarth (BR) measurement considers. As explained in Section 3, this is a change from BR measurements underlying the existing tables. The CE traditional measure of expenditures does not consider these outlays. The merit of using expenditures, which does not include mortgage principal payments, is that any equity in the home should be considered part of the property settlement and not part of the child support payments. The limitations are that not all families have substantial equity in their homes, and some families have second mortgages or home

equity loans that further reduce home equity. The merit of using outlays is that it is more in line with family budgeting on a monthly basis in that it considers the entire mortgage payment, including the amounts paid toward both interest and principal, and the amount paid toward a second mortgage or home equity loan if there is such a payment. Both measures include payment of the mortgage interest, rent among households dwelling in apartments, utilities, property taxes, and other housing expenses as indicated in the above table. Housing-related items, which are identified in Exhibit A-4, comprise the largest share of total family expenditures. Housing expenses compose about 40 percent of total family expenditures.

Exhibit A-3: Partial List of Expenditure Items Considered in the Consumer Expenditure Survey	
Housing	Rent paid for dwellings, rent received as pay, parking fees, maintenance, and other expenses for rented dwellings; interest and principal payments on mortgages, interest and principal payments on home equity loans and lines of credit, property taxes and insurance, refinancing and prepayment charges, ground rent, expenses for property management and security, homeowners' insurance, fire insurance and extended coverage, expenses for repairs and maintenance contracted out, and expenses of materials for owner-performed repairs and maintenance for dwellings used or maintained by the consumer unit. It also includes utilities, cleaning supplies, household textiles, furniture, major and small appliances, and other miscellaneous household equipment (tools, plants, decorative items).
Food	Food at home purchased at grocery or other food stores, as well as meals, including tips, purchased away from home (e.g., full-service and fast-food restaurant, vending machines).
Transportation	Vehicle finance charges, gasoline and motor oil, maintenance and repairs, vehicle insurance, public transportation, leases, parking fees, and other transportation expenditures.
Entertainment	Admission to sporting events, movies, concerts, health clubs, recreational lessons, television/radio/sound equipment, pets, toys, hobbies, and other entertainment equipment and services.
Apparel	Apparel, footwear, uniforms, diapers, alterations and repairs, dry cleaning, sent-out laundry, watches, and jewelry.
Other	Personal care products, reading materials, education fees, banking fees, interest paid on lines of credit, and other expenses.

Transportation expenses account for about one-sixth of total family expenditures. In the category of "transportation," the CE includes net vehicle outlays; vehicle finance charges; gasoline and motor oil; maintenance and repairs; vehicle insurance; public transportation expenses; and vehicle rentals, leases, licenses, and other charges. The net vehicle outlay is the purchase price of a vehicle less the trade-in value. Net vehicle outlays account for just over one-third of all transportation expenses. Net vehicle outlays are an important consideration when measuring child-rearing expenditures because the family's use of the vehicle is often longer than the survey period. In Betson's first three studies, he excluded them because in his earlier estimates that consider expenditures the vehicle can be sold after the survey period. By contrast, Betson's 2020 estimates that consider outlays capture vehicle payments made over the survey period. The USDA, which relies on expenditures, includes all transportation expenses including net vehicle outlays. There are some advantages and disadvantages to each approach. Excluding it makes sense when the vehicle may be part of the property settlement in a divorce. An alternative to that would be to include a value that reflects depreciation of the vehicle over time, but that information is not available. Including the entire net vehicle outlay when expenditures are used as

the basis of the estimate likely overstates depreciation. When the basis of the estimates is outlays, it includes only vehicle installment payments rather than net vehicle outlays, which effectively avoids the issues of vehicle equity and depreciation.

Betson excludes some expenditure items captured by the CE because they are obviously not child-rearing expenses. Specifically, he excludes contributions by family members to Social Security, private pension plans, and cash contributions made to members outside the surveyed household. The USDA also excludes these expenses from its estimates of child-rearing expenditures.

For the purposes of developing child support tables, child care and medical expenses are excluded. Exhibit A-4 shows the major categories of expenditures considered in the tables as well how they vary for low, middle, and high income families. (Families are dividing into these categories by taking the third lowest families in income, the second third as middle income, and the highest third as high income.)

Gross and net incomes are reported by families participating in the CE. The difference between gross and net income is taxes. In fact, the CE uses the terms “income before taxes” and “income after taxes” instead of gross and net income, respectively. Income before taxes is the total money earnings and selected money receipts. It includes wages and salary, self-employment income, Social Security benefits, pension income, rental income, unemployment compensation, workers’ compensation, veterans’ benefits, public assistance, and other sources of income. Income is based on self-reports and not checked against actual records.

Exhibit A-4: Average Spending of Families with Children by Net Income				
Income Rank	Lowest Third	Middle Third	Highest Third	All Families
Net Income	\$36,891	\$75,139	\$154,974	\$88,862
Total Outlays	\$40,932	\$61,423	\$102,012	\$68,080
Budget Share (% of Total Outlays)				
Housing	42.8%	42.9%	45.2%	43.5%
Transportation	16.4%	16.6%	14.2%	15.8%
Food	23.1%	18.4%	15.9%	19.1%
Entertainment ^a	4.1%	4.9%	5.9%	5.0%
Health Care	5.6%	8.8%	7.6%	7.4%
Apparel	2.7%	2.2%	2.4%	2.4%
Tobacco and Alcohol	1.6%	1.2%	1.1%	1.3%
Education and Reading	1.0%	1.4%	2.8%	1.7%
Personal Care	0.5%	0.6%	0.7%	0.6%
All Other	1.2%	3.0%	4.2%	3.2%

^aWhen reweighted to reflect only child-rearing expenditures considered in the tables, entertainment comprises 4.5% of the budget for the lowest third, 5.5% of the budget share for the middle third, 6.7% of the budget share for the top third, and 5.6% of the budget share of all families.

The BLS has concerns that income may be underreported in the CE. Although underreporting of income is a problem inherent to surveys, the BLS is particularly concerned because expenditures exceed income among low-income households participating in the CE. The BLS does not know whether the cause is underreporting of income or that low-income households are actually spending more than their incomes because of an unemployment spell, the primary earner is a student, or the household is otherwise withdrawing from its savings. To improve income information, the BLS added and revised income questions in 2001 as well as its approach to addressing missing income information. The 2010 and 2020 Betson-Rothbarth measurements rely on these changes to measuring income. Previous Betson measurements do not.

The BLS also had concerns with taxes being underreported. Beginning in 2013, the BLS began estimating taxes using demographic and income data from CE households by applying the National Bureau of Economic Analysis TAXSIM program that calculates tax liabilities under U.S. federal and state income tax laws.

The BLS does not include changes in net assets or liabilities as income or expenditures. In all, the BLS makes it clear that reconciling differences between income and expenditures and precisely measuring income are not part of the core mission of the CE. The core mission is to measure and track expenditures. The BLS recognizes that at some low-income levels, the CE shows that total expenditures exceed after-tax incomes, and at very high incomes, the CE shows that total expenditures are considerably less than after-tax incomes. However, the changes to the income measure, the use of outlays rather than expenditures, and use of the tax calculator have lessened some of these issues.

Income Shares Schedule Based on BR5					
Combined Net Monthly Income	One Child	Two Children	Three Children	Four Children	Five or More Children
750	173	263	318	355	391
800	184	281	339	379	417
850	196	298	361	403	443
900	207	316	382	426	469
950	219	333	403	450	495
1000	230	351	424	474	521
1050	242	368	445	497	547
1100	253	386	467	521	573
1150	265	403	488	545	599
1200	276	421	509	569	625
1250	288	439	530	592	651
1300	300	456	551	616	677
1350	311	474	573	640	704
1400	323	491	594	663	730
1450	334	509	615	687	756
1500	346	526	636	711	782
1550	357	544	657	734	808
1600	369	561	679	758	834
1650	380	579	700	782	860
1700	392	596	721	805	886
1750	403	614	742	829	912
1800	415	632	763	853	938
1850	426	649	785	876	964
1900	438	667	806	900	990
1950	449	684	827	924	1016
2000	461	702	848	948	1042
2050	472	719	869	971	1068
2100	484	737	891	995	1094
2150	495	754	912	1019	1120
2200	507	772	933	1042	1147
2250	518	789	954	1066	1173
2300	530	807	976	1090	1199
2350	541	825	997	1113	1225
2400	553	842	1018	1137	1251
2450	565	860	1039	1161	1277
2500	576	877	1060	1184	1303
2550	588	895	1082	1208	1329
2600	599	912	1103	1232	1355
2650	611	930	1124	1255	1381
2700	622	947	1145	1279	1407
2750	634	965	1166	1303	1433
2800	645	982	1188	1327	1459
2850	657	1000	1209	1350	1485

Income Shares Schedule Based on BR5					
Combined Net Monthly Income	One Child	Two Children	Three Children	Four Children	Five or More Children
2900	668	1017	1229	1373	1510
2950	680	1032	1247	1392	1532
3000	691	1047	1264	1412	1553
3050	703	1063	1281	1431	1575
3100	714	1078	1299	1451	1596
3150	726	1093	1316	1470	1617
3200	737	1108	1334	1490	1639
3250	749	1123	1351	1509	1660
3300	760	1139	1368	1529	1681
3350	772	1154	1387	1549	1704
3400	782	1171	1407	1571	1729
3450	792	1188	1427	1594	1753
3500	803	1205	1447	1616	1778
3550	813	1222	1467	1639	1803
3600	824	1239	1487	1661	1827
3650	834	1256	1507	1684	1852
3700	844	1273	1527	1706	1877
3750	855	1290	1548	1729	1902
3800	864	1306	1566	1749	1924
3850	873	1318	1581	1765	1942
3900	881	1331	1596	1782	1960
3950	890	1344	1611	1799	1979
4000	898	1356	1626	1816	1997
4050	907	1369	1641	1832	2016
4100	915	1382	1656	1849	2034
4150	924	1394	1671	1866	2053
4200	932	1407	1686	1883	2071
4250	939	1417	1697	1896	2085
4300	944	1424	1706	1905	2096
4350	950	1432	1714	1915	2106
4400	955	1439	1723	1924	2117
4450	960	1447	1731	1934	2127
4500	965	1454	1740	1943	2137
4550	970	1462	1748	1953	2148
4600	976	1469	1757	1962	2158
4650	981	1477	1765	1972	2169
4700	986	1483	1771	1978	2176
4750	990	1488	1775	1983	2181
4800	995	1494	1780	1988	2187
4850	1000	1499	1784	1993	2192
4900	1005	1505	1789	1998	2198
4950	1009	1510	1793	2003	2203
5000	1014	1515	1797	2008	2209

Income Shares Schedule Based on BR5					
Combined Net Monthly Income	One Child	Two Children	Three Children	Four Children	Five or More Children
5050	1019	1521	1802	2013	2214
5100	1023	1526	1806	2018	2219
5150	1029	1536	1818	2031	2234
5200	1036	1547	1833	2047	2252
5250	1043	1558	1848	2064	2270
5300	1049	1569	1862	2080	2288
5350	1056	1580	1877	2097	2306
5400	1062	1591	1892	2113	2324
5450	1069	1602	1906	2129	2342
5500	1075	1613	1921	2146	2360
5550	1082	1624	1936	2162	2378
5600	1086	1630	1941	2168	2385
5650	1090	1634	1945	2172	2389
5700	1094	1639	1948	2176	2394
5750	1098	1644	1952	2180	2398
5800	1102	1648	1956	2185	2403
5850	1106	1653	1959	2189	2408
5900	1110	1657	1963	2193	2412
5950	1114	1662	1967	2197	2417
6000	1118	1666	1971	2201	2421
6050	1124	1674	1978	2209	2430
6100	1129	1681	1985	2218	2439
6150	1135	1688	1993	2226	2448
6200	1141	1696	2000	2234	2457
6250	1146	1703	2007	2242	2467
6300	1152	1710	2015	2251	2476
6350	1157	1717	2022	2259	2485
6400	1163	1725	2030	2267	2494
6450	1169	1732	2037	2276	2503
6500	1177	1744	2050	2290	2519
6550	1185	1756	2063	2304	2535
6600	1193	1767	2076	2319	2551
6650	1202	1779	2089	2333	2566
6700	1210	1790	2102	2348	2582
6750	1218	1802	2114	2362	2598
6800	1226	1814	2127	2376	2614
6850	1235	1825	2140	2391	2630
6900	1243	1837	2153	2405	2645
6950	1251	1848	2166	2419	2661
7000	1259	1860	2179	2434	2677
7050	1268	1872	2192	2448	2693
7100	1276	1883	2204	2462	2709
7150	1283	1894	2217	2477	2724

Income Shares Schedule Based on BR5					
Combined Net Monthly Income	One Child	Two Children	Three Children	Four Children	Five or More Children
7200	1289	1904	2230	2491	2740
7250	1295	1913	2243	2506	2756
7300	1301	1923	2256	2520	2772
7350	1307	1933	2269	2535	2788
7400	1313	1943	2282	2549	2804
7450	1319	1953	2295	2564	2820
7500	1325	1963	2308	2578	2836
7550	1331	1973	2321	2592	2852
7600	1337	1983	2334	2607	2868
7650	1343	1993	2347	2621	2883
7700	1349	2003	2360	2636	2899
7750	1355	2013	2373	2650	2915
7800	1361	2022	2383	2662	2928
7850	1365	2028	2390	2670	2937
7900	1370	2035	2398	2678	2946
7950	1375	2041	2405	2686	2955
8000	1379	2048	2412	2694	2964
8050	1384	2054	2419	2702	2972
8100	1389	2061	2426	2710	2981
8150	1394	2067	2434	2718	2990
8200	1398	2074	2441	2726	2999
8250	1403	2081	2448	2734	3008
8300	1408	2087	2455	2742	3017
8350	1412	2094	2462	2750	3025
8400	1417	2100	2470	2758	3034
8450	1422	2107	2477	2767	3043
8500	1428	2115	2485	2776	3053
8550	1434	2123	2493	2785	3064
8600	1440	2131	2502	2794	3074
8650	1446	2139	2510	2804	3084
8700	1452	2147	2518	2813	3094
8750	1458	2155	2527	2822	3104
8800	1464	2163	2535	2831	3115
8850	1470	2171	2543	2841	3125
8900	1477	2179	2551	2850	3135
8950	1483	2187	2560	2859	3145
9000	1489	2195	2568	2868	3155
9050	1495	2203	2576	2878	3166
9100	1501	2212	2585	2887	3176
9150	1507	2220	2593	2896	3186
9200	1513	2228	2601	2906	3196
9250	1519	2236	2610	2915	3206
9300	1525	2244	2618	2924	3217

Income Shares Schedule Based on BR5					
Combined Net Monthly Income	One Child	Two Children	Three Children	Four Children	Five or More Children
9350	1531	2251	2625	2932	3225
9400	1534	2256	2630	2937	3231
9450	1538	2261	2634	2943	3237
9500	1542	2265	2639	2948	3243
9550	1546	2270	2644	2953	3248
9600	1550	2275	2648	2958	3254
9650	1554	2280	2653	2963	3260
9700	1558	2285	2658	2968	3265
9750	1561	2290	2662	2974	3271
9800	1565	2295	2667	2979	3277
9850	1569	2299	2671	2984	3282
9900	1573	2304	2676	2989	3288
9950	1577	2309	2681	2994	3294
10000	1581	2314	2685	3000	3300
10050	1585	2319	2690	3005	3305
10100	1588	2324	2695	3010	3311
10150	1592	2329	2699	3015	3317
10200	1596	2333	2704	3020	3322
10250	1602	2341	2712	3030	3333
10300	1609	2352	2725	3044	3348
10350	1616	2362	2737	3058	3363
10400	1623	2373	2750	3071	3379
10450	1630	2383	2762	3085	3394
10500	1637	2394	2775	3099	3409
10550	1644	2405	2787	3113	3425
10600	1651	2415	2800	3127	3440
10650	1659	2426	2812	3141	3455
10700	1666	2436	2824	3155	3470
10750	1673	2447	2837	3169	3486
10800	1680	2457	2849	3183	3501
10850	1687	2468	2862	3197	3516
10900	1694	2479	2874	3211	3532
10950	1701	2489	2887	3224	3547
11000	1709	2500	2899	3238	3562
11050	1716	2510	2912	3252	3577
11100	1723	2521	2924	3266	3593
11150	1730	2531	2936	3280	3608
11200	1737	2542	2949	3294	3623
11250	1744	2553	2961	3308	3639
11300	1751	2563	2974	3322	3654
11350	1758	2574	2986	3336	3669
11400	1766	2584	2999	3350	3685
11450	1773	2595	3011	3363	3700

Income Shares Schedule Based on BR5					
Combined Net Monthly Income	One Child	Two Children	Three Children	Four Children	Five or More Children
11500	1780	2606	3024	3377	3715
11550	1787	2616	3036	3391	3730
11600	1793	2624	3045	3401	3741
11650	1799	2632	3052	3409	3750
11700	1804	2639	3060	3418	3760
11750	1810	2647	3068	3427	3769
11800	1816	2654	3075	3435	3779
11850	1821	2662	3083	3444	3788
11900	1827	2669	3091	3453	3798
11950	1833	2677	3099	3461	3807
12000	1838	2684	3106	3470	3817
12050	1844	2692	3114	3478	3826
12100	1850	2699	3122	3487	3836
12150	1856	2707	3129	3496	3845
12200	1861	2714	3137	3504	3855
12250	1867	2722	3145	3513	3864
12300	1873	2729	3153	3521	3874
12350	1878	2737	3160	3530	3883
12400	1884	2744	3168	3539	3892
12450	1890	2752	3176	3547	3902
12500	1895	2759	3183	3556	3911
12550	1901	2767	3191	3564	3921
12600	1907	2775	3199	3573	3930
12650	1912	2782	3207	3582	3940
12700	1918	2790	3214	3590	3949
12750	1924	2797	3222	3599	3959
12800	1929	2805	3230	3607	3968
12850	1935	2812	3237	3616	3978
12900	1941	2820	3245	3625	3987
12950	1947	2827	3253	3633	3997
13000	1952	2835	3260	3642	4006
13050	1958	2842	3268	3651	4016
13100	1964	2850	3276	3659	4025
13150	1969	2857	3284	3668	4035
13200	1975	2865	3291	3676	4044
13250	1981	2872	3299	3685	4053
13300	1986	2880	3307	3694	4063
13350	1992	2888	3315	3703	4074
13400	1997	2896	3327	3716	4088
13450	2002	2905	3339	3729	4102
13500	2007	2913	3350	3742	4116
13550	2012	2922	3362	3755	4131
13600	2017	2930	3373	3768	4145

Income Shares Schedule Based on BR5					
Combined Net Monthly Income	One Child	Two Children	Three Children	Four Children	Five or More Children
13650	2022	2939	3385	3781	4159
13700	2027	2948	3396	3794	4173
13750	2032	2956	3408	3807	4187
13800	2037	2965	3420	3820	4202
13850	2042	2973	3431	3833	4216
13900	2047	2982	3443	3846	4230
13950	2052	2991	3454	3859	4244
14000	2057	2999	3466	3871	4259
14050	2062	3008	3478	3884	4273
14100	2067	3016	3489	3897	4287
14150	2072	3025	3501	3910	4301
14200	2077	3034	3512	3923	4316
14250	2082	3042	3524	3936	4330
14300	2087	3051	3535	3949	4344
14350	2092	3059	3547	3962	4358
14400	2097	3068	3559	3975	4372
14450	2102	3076	3570	3988	4387
14500	2107	3085	3582	4001	4401
14550	2112	3094	3593	4014	4415
14600	2117	3102	3605	4027	4429
14650	2122	3111	3617	4040	4444
14700	2127	3119	3628	4053	4458
14750	2132	3128	3640	4066	4472
14800	2137	3137	3651	4078	4486
14850	2142	3145	3663	4091	4501
14900	2147	3154	3674	4104	4515
14950	2152	3162	3686	4117	4529
15000	2157	3171	3698	4130	4543
15050	2162	3180	3709	4143	4557
15100	2167	3188	3721	4156	4572
15150	2172	3197	3732	4169	4586
15200	2177	3205	3744	4182	4600
15250	2182	3214	3755	4195	4614
15300	2187	3222	3767	4208	4629
15350	2192	3231	3779	4221	4643
15400	2197	3240	3790	4234	4657
15450	2202	3248	3802	4247	4671
15500	2207	3257	3813	4260	4686
15550	2212	3265	3825	4272	4700
15600	2217	3274	3837	4285	4714
15650	2222	3283	3848	4298	4728
15700	2227	3291	3860	4311	4742
15750	2232	3300	3871	4324	4757

Income Shares Schedule Based on BR5					
Combined Net Monthly Income	One Child	Two Children	Three Children	Four Children	Five or More Children
15800	2237	3308	3883	4337	4771
15850	2242	3317	3894	4350	4785
15900	2247	3326	3906	4363	4799
15950	2252	3334	3918	4376	4814
16000	2257	3343	3929	4389	4828
16050	2262	3351	3941	4402	4842
16100	2267	3360	3952	4415	4856
16150	2272	3369	3964	4428	4870
16200	2277	3377	3976	4441	4885
16250	2282	3386	3987	4454	4899
16300	2287	3394	3999	4467	4913
16350	2292	3403	4010	4479	4927
16400	2297	3411	4022	4492	4942
16450	2302	3420	4033	4505	4956
16500	2307	3429	4045	4518	4970
16550	2312	3437	4057	4531	4984
16600	2317	3446	4068	4544	4999
16650	2322	3454	4080	4557	5013
16700	2327	3463	4091	4570	5027
16750	2332	3472	4103	4583	5041
16800	2337	3480	4114	4596	5055
16850	2342	3489	4126	4609	5070
16900	2347	3497	4138	4622	5084
16950	2352	3506	4149	4635	5098
17000	2357	3515	4161	4648	5112
17050	2362	3523	4172	4661	5127
17100	2367	3532	4184	4673	5141
17150	2372	3540	4196	4686	5155
17200	2377	3549	4207	4699	5169
17250	2382	3557	4219	4712	5184
17300	2387	3566	4230	4725	5198
17350	2392	3575	4242	4738	5212
17400	2397	3583	4253	4751	5226
17450	2402	3592	4265	4764	5240
17500	2407	3600	4277	4777	5255
17550	2412	3609	4288	4790	5269
17600	2417	3618	4300	4803	5283
17650	2422	3626	4311	4816	5297
17700	2427	3635	4323	4829	5312
17750	2432	3643	4335	4842	5326
17800	2437	3652	4346	4855	5340
17850	2442	3661	4358	4868	5354
17900	2447	3669	4369	4880	5368

Income Shares Schedule Based on BR5					
Combined Net Monthly Income	One Child	Two Children	Three Children	Four Children	Five or More Children
17950	2452	3678	4381	4893	5383
18000	2457	3686	4392	4906	5397
18050	2462	3695	4404	4919	5411
18100	2467	3703	4416	4932	5425
18150	2472	3712	4427	4945	5440
18200	2477	3721	4439	4958	5454
18250	2482	3729	4450	4971	5468
18300	2487	3738	4462	4984	5482
18350	2492	3746	4473	4997	5497
18400	2497	3755	4485	5010	5511
18450	2502	3764	4497	5023	5525
18500	2507	3772	4508	5036	5539
18550	2512	3781	4520	5049	5553
18600	2517	3789	4531	5062	5568
18650	2522	3798	4543	5074	5582
18700	2527	3807	4555	5087	5596
18750	2532	3815	4566	5100	5610
18800	2537	3824	4578	5113	5625
18850	2542	3832	4589	5126	5639
18900	2547	3841	4601	5139	5653
18950	2552	3849	4612	5152	5667
19000	2557	3858	4624	5165	5682
19050	2562	3867	4636	5178	5696
19100	2567	3875	4647	5191	5710
19150	2572	3884	4659	5204	5724
19200	2577	3892	4670	5217	5738
19250	2582	3901	4682	5230	5753
19300	2587	3910	4694	5243	5767
19350	2592	3918	4705	5256	5781
19400	2597	3927	4717	5269	5795
19450	2602	3935	4728	5281	5810
19500	2607	3944	4740	5294	5824
19550	2612	3953	4751	5307	5838
19600	2617	3961	4763	5320	5852
19650	2622	3970	4775	5333	5867
19700	2627	3978	4786	5346	5881
19750	2632	3987	4798	5359	5895
19800	2637	3995	4809	5372	5909
19850	2642	4004	4821	5385	5923
19900	2647	4013	4832	5398	5938
19950	2652	4021	4844	5411	5952
20000	2657	4030	4856	5424	5966
20050	2662	4038	4867	5437	5980

Income Shares Schedule Based on BR5					
Combined Net Monthly Income	One Child	Two Children	Three Children	Four Children	Five or More Children
20100	2667	4047	4879	5450	5995
20150	2672	4056	4890	5463	6009
20200	2677	4064	4902	5475	6023
20250	2682	4073	4914	5488	6037
20300	2687	4081	4925	5501	6051
20350	2692	4090	4937	5514	6066
20400	2697	4099	4948	5527	6080
20450	2702	4107	4960	5540	6094
20500	2707	4116	4971	5553	6108
20550	2712	4124	4983	5566	6123
20600	2717	4133	4995	5579	6137
20650	2722	4141	5006	5592	6151
20700	2727	4150	5018	5605	6165
20750	2732	4159	5029	5618	6180
20800	2737	4167	5041	5631	6194
20850	2742	4176	5053	5644	6208
20900	2747	4184	5064	5657	6222
20950	2752	4193	5076	5670	6236
21000	2757	4202	5087	5682	6251
21050	2762	4210	5099	5695	6265
21100	2767	4219	5110	5708	6279
21150	2772	4227	5122	5721	6293
21200	2777	4236	5134	5734	6308
21250	2782	4245	5145	5747	6322
21300	2787	4253	5157	5760	6336
21350	2792	4262	5168	5773	6350
21400	2797	4270	5180	5786	6365
21450	2802	4279	5191	5799	6379
21500	2807	4287	5203	5812	6393
21550	2812	4296	5215	5825	6407
21600	2817	4305	5226	5838	6421
21650	2822	4313	5238	5851	6436
21700	2827	4322	5249	5864	6450
21750	2832	4330	5261	5876	6464
21800	2836	4339	5273	5889	6478
21850	2841	4348	5284	5902	6493
21900	2846	4356	5296	5915	6507
21950	2851	4365	5307	5928	6521
22000	2856	4373	5319	5941	6535
22050	2861	4382	5330	5954	6550
22100	2866	4391	5342	5967	6564
22150	2871	4399	5354	5980	6578
22200	2876	4408	5365	5993	6592

Income Shares Schedule Based on BR5					
Combined Net Monthly Income	One Child	Two Children	Three Children	Four Children	Five or More Children
22250	2881	4416	5377	6006	6606
22300	2886	4425	5388	6019	6621
22350	2891	4433	5400	6032	6635
22400	2896	4442	5411	6045	6649
22450	2901	4451	5423	6058	6663
22500	2906	4459	5435	6071	6678
22550	2911	4468	5446	6083	6692
22600	2916	4476	5458	6096	6706
22650	2921	4485	5469	6109	6720
22700	2926	4494	5481	6122	6734
22750	2931	4502	5493	6135	6749
22800	2936	4511	5504	6148	6763
22850	2941	4519	5516	6161	6777
22900	2946	4528	5527	6174	6791
22950	2951	4537	5539	6187	6806
23000	2956	4545	5550	6200	6820
23050	2961	4554	5562	6213	6834
23100	2966	4562	5574	6226	6848
23150	2971	4571	5585	6239	6863
23200	2976	4579	5597	6252	6877
23250	2981	4588	5608	6265	6891
23300	2986	4597	5620	6277	6905
23350	2991	4605	5632	6290	6919
23400	2996	4614	5643	6303	6934
23450	3001	4622	5655	6316	6948
23500	3006	4631	5666	6329	6962
23550	3011	4640	5678	6342	6976
23600	3016	4648	5689	6355	6991
23650	3021	4657	5701	6368	7005
23700	3026	4665	5713	6381	7019
23750	3031	4674	5724	6394	7033
23800	3036	4683	5736	6407	7048
23850	3041	4691	5747	6420	7062
23900	3046	4700	5759	6433	7076
23950	3051	4708	5770	6446	7090
24000	3056	4717	5782	6459	7104
24050	3061	4725	5794	6472	7119
24100	3066	4734	5805	6484	7133
24150	3071	4743	5817	6497	7147
24200	3076	4751	5828	6510	7161
24250	3081	4760	5840	6523	7176
24300	3086	4768	5852	6536	7190
24350	3091	4777	5863	6549	7204

Income Shares Schedule Based on BR5					
Combined Net Monthly Income	One Child	Two Children	Three Children	Four Children	Five or More Children
24400	3096	4786	5875	6562	7218
24450	3101	4794	5886	6575	7233
24500	3106	4803	5898	6588	7247
24550	3111	4811	5909	6601	7261
24600	3116	4820	5921	6614	7275
24650	3121	4829	5933	6627	7289
24700	3126	4837	5944	6640	7304
24750	3131	4846	5956	6653	7318
24800	3136	4854	5967	6666	7332
24850	3141	4863	5979	6678	7346
24900	3146	4871	5991	6691	7361
24950	3151	4880	6002	6704	7375
25000	3156	4889	6014	6717	7389
25050	3161	4897	6025	6730	7403
25100	3166	4906	6037	6743	7417
25150	3171	4914	6048	6756	7432
25200	3176	4923	6060	6769	7446
25250	3181	4932	6072	6782	7460
25300	3186	4940	6083	6795	7474
25350	3191	4949	6095	6808	7489
25400	3196	4957	6106	6821	7503
25450	3201	4966	6118	6834	7517
25500	3206	4975	6129	6847	7531
25550	3211	4983	6141	6860	7546
25600	3216	4992	6153	6873	7560
25650	3221	5000	6164	6885	7574
25700	3226	5009	6176	6898	7588
25750	3231	5017	6187	6911	7602
25800	3236	5026	6199	6924	7617
25850	3241	5035	6211	6937	7631
25900	3246	5043	6222	6950	7645
25950	3251	5052	6234	6963	7659
26000	3256	5060	6245	6976	7674
26050	3261	5069	6257	6989	7688
26100	3266	5078	6268	7002	7702
26150	3271	5086	6280	7015	7716
26200	3276	5095	6292	7028	7731
26250	3281	5103	6303	7041	7745
26300	3286	5112	6315	7054	7759
26350	3291	5121	6326	7067	7773
26400	3296	5129	6338	7079	7787
26450	3301	5138	6350	7092	7802
26500	3306	5146	6361	7105	7816

Income Shares Schedule Based on BR5					
Combined Net Monthly Income	One Child	Two Children	Three Children	Four Children	Five or More Children
26550	3311	5155	6373	7118	7830
26600	3316	5163	6384	7131	7844
26650	3321	5172	6396	7144	7859
26700	3326	5181	6407	7157	7873
26750	3331	5189	6419	7170	7887
26800	3336	5198	6431	7183	7901
26850	3341	5206	6442	7196	7915
26900	3346	5215	6454	7209	7930
26950	3351	5224	6465	7222	7944
27000	3356	5232	6477	7235	7958
27050	3361	5241	6488	7248	7972
27100	3366	5249	6500	7261	7987
27150	3371	5258	6512	7274	8001
27200	3376	5267	6523	7286	8015
27250	3381	5275	6535	7299	8029
27300	3386	5284	6546	7312	8044
27350	3391	5292	6558	7325	8058
27400	3396	5301	6570	7338	8072
27450	3401	5309	6581	7351	8086
27500	3406	5318	6593	7364	8100
27550	3411	5327	6604	7377	8115
27600	3416	5335	6616	7390	8129
27650	3421	5344	6627	7403	8143
27700	3426	5352	6639	7416	8157
27750	3431	5361	6651	7429	8172
27800	3436	5370	6662	7442	8186
27850	3441	5378	6674	7455	8200
27900	3446	5387	6685	7468	8214
27950	3451	5395	6697	7480	8229
28000	3456	5404	6709	7493	8243
28050	3461	5413	6720	7506	8257
28100	3466	5421	6732	7519	8271
28150	3471	5430	6743	7532	8285
28200	3476	5438	6755	7545	8300
28250	3481	5447	6766	7558	8314
28300	3486	5455	6778	7571	8328
28350	3491	5464	6790	7584	8342
28400	3496	5473	6801	7597	8357
28450	3501	5481	6813	7610	8371
28500	3506	5490	6824	7623	8385
28550	3511	5498	6836	7636	8399
28600	3516	5507	6847	7649	8414
28650	3521	5516	6859	7662	8428

Income Shares Schedule Based on BR5					
Combined Net Monthly Income	One Child	Two Children	Three Children	Four Children	Five or More Children
28700	3526	5524	6871	7675	8442
28750	3531	5533	6882	7687	8456
28800	3536	5541	6894	7700	8470
28850	3541	5550	6905	7713	8485
28900	3546	5559	6917	7726	8499
28950	3551	5567	6929	7739	8513
29000	3556	5576	6940	7752	8527
29050	3561	5584	6952	7765	8542
29100	3566	5593	6963	7778	8556
29150	3571	5601	6975	7791	8570
29200	3576	5610	6986	7804	8584
29250	3581	5619	6998	7817	8598
29300	3586	5627	7010	7830	8613
29350	3591	5636	7021	7843	8627
29400	3596	5644	7033	7856	8641
29450	3601	5653	7044	7869	8655
29500	3606	5662	7056	7881	8670
29550	3611	5670	7068	7894	8684
29600	3616	5679	7079	7907	8698
29650	3621	5687	7091	7920	8712
29700	3626	5696	7102	7933	8727
29750	3631	5705	7114	7946	8741
29800	3636	5713	7125	7959	8755
29850	3641	5722	7137	7972	8769
29900	3646	5730	7149	7985	8783
29950	3651	5739	7160	7998	8798
30000	3656	5747	7172	8011	8812
30050	3661	5756	7183	8024	8826
30100	3666	5765	7195	8037	8840
30150	3671	5773	7206	8050	8855
30200	3676	5782	7218	8063	8869
30250	3681	5790	7230	8076	8883
30300	3686	5799	7241	8088	8897
30350	3691	5808	7253	8101	8912
30400	3696	5816	7264	8114	8926
30450	3701	5825	7276	8127	8940
30500	3706	5833	7288	8140	8954
30550	3711	5842	7299	8153	8968
30600	3716	5851	7311	8166	8983
30650	3721	5859	7322	8179	8997
30700	3726	5868	7334	8192	9011
30750	3731	5876	7345	8205	9025
30800	3736	5885	7357	8218	9040

Income Shares Schedule Based on BR5					
Combined Net Monthly Income	One Child	Two Children	Three Children	Four Children	Five or More Children
30850	3741	5893	7369	8231	9054
30900	3746	5902	7380	8244	9068
30950	3751	5911	7392	8257	9082
31000	3756	5919	7403	8270	9097
31050	3761	5928	7415	8282	9111
31100	3766	5936	7427	8295	9125
31150	3771	5945	7438	8308	9139
31200	3776	5954	7450	8321	9153
31250	3781	5962	7461	8334	9168
31300	3786	5971	7473	8347	9182
31350	3791	5979	7484	8360	9196
31400	3796	5988	7496	8373	9210
31450	3801	5997	7508	8386	9225
31500	3806	6005	7519	8399	9239
31550	3811	6014	7531	8412	9253
31600	3816	6022	7542	8425	9267
31650	3821	6031	7554	8438	9281
31700	3826	6039	7565	8451	9296
31750	3831	6048	7577	8464	9310
31800	3836	6057	7589	8477	9324
31850	3841	6065	7600	8489	9338
31900	3846	6074	7612	8502	9353
31950	3851	6082	7623	8515	9367
32000	3856	6091	7635	8528	9381
32050	3861	6100	7647	8541	9395
32100	3866	6108	7658	8554	9410
32150	3871	6117	7670	8567	9424
32200	3876	6125	7681	8580	9438
32250	3881	6134	7693	8593	9452
32300	3886	6143	7704	8606	9466
32350	3891	6151	7716	8619	9481
32400	3896	6160	7728	8632	9495
32450	3901	6168	7739	8645	9509
32500	3906	6177	7751	8658	9523
32550	3911	6185	7762	8671	9538
32600	3916	6194	7774	8683	9552
32650	3921	6203	7786	8696	9566
32700	3926	6211	7797	8709	9580
32750	3931	6220	7809	8722	9595
32800	3936	6228	7820	8735	9609
32850	3941	6237	7832	8748	9623
32900	3946	6246	7843	8761	9637
32950	3951	6254	7855	8774	9651

Income Shares Schedule Based on BR5					
Combined Net Monthly Income	One Child	Two Children	Three Children	Four Children	Five or More Children
33000	3956	6263	7867	8787	9666
33050	3961	6271	7878	8800	9680
33100	3966	6280	7890	8813	9694
33150	3971	6289	7901	8826	9708
33200	3976	6297	7913	8839	9723
33250	3981	6306	7924	8852	9737
33300	3986	6314	7936	8865	9751
33350	3991	6323	7948	8878	9765
33400	3996	6331	7959	8890	9780
33450	4001	6340	7971	8903	9794
33500	4006	6349	7982	8916	9808
33550	4011	6357	7994	8929	9822
33600	4016	6366	8006	8942	9836
33650	4021	6374	8017	8955	9851
33700	4026	6383	8029	8968	9865
33750	4031	6392	8040	8981	9879
33800	4036	6400	8052	8994	9893
33850	4041	6409	8063	9007	9908
33900	4046	6417	8075	9020	9922
33950	4051	6426	8087	9033	9936
34000	4056	6435	8098	9046	9950
34050	4061	6443	8110	9059	9964
34100	4066	6452	8121	9072	9979